

**Byte Power Group Limited
(ACN 009 268 571)
and Controlled Entities**

COMMENTARY ON RESULTS

Your Directors submit the preliminary final report for Byte Power Group Limited (“the company”) and the entities it controlled at the end of, or during, the year ended 30 June 2013.

Directors

The names of the Directors of the Company during the year and at the date of this report are:

Alvin Phua
Raphael Tham
Michael Walsh (Resigned on 5 July 2013)
Howard Shi (Appointed on 5 July 2013)

Review of Operations

Summary

This is a turnaround year for Byte Power Group Limited.

Revenues from ordinary activities in the financial year ended June 2013 were \$6.442 million compared to \$1.611 million in the financial year ended June 2012, representing a growth of 300% due largely to increased sales in the IT&T segments and the export of premium wines into Asia.

The net profit for the year was \$24K compared to a net loss of \$1.622 million over the same period. The EBITDA gain for the year was \$0.498 million compared to an EBITDA loss of \$0.776 million the previous year.

In February 2012, Byte Power set up the Asian Business Division and began exporting premium Australian wines into China, Hong Kong and Asian countries. Wine Power Pty Ltd was later established as a subsidiary of the Group to cater for the growth of the wine business.

Through existing corporate networks of the Group and wine tasting events organised in the past, management of the Group has acquired in-depth knowledge such as tastes and preferences of general Asian consumers, acceptable price range and packaging preferences in Asia. With this acquired knowledge, Wine Power Pty Ltd has developed and distributes its very own ‘8 Eagles’ range of wines from the Barossa, South Australia to cater for the target markets’ palates.

In August 2013, the Group established another new overseas subsidiary Wine Power Pte Limited in Singapore to manage the wine distribution operations in Singapore and the surrounding countries such as Myanmar, Cambodia, Malaysia, Vietnam, Korea and Japan.

Byte Power, through this new Singapore entity, has gained access to a range of well recognised and highly sought after wines, including prestigious labels such as Penfolds, Wolf Blass, Wynns Coonawarra Estate, Rosemount Estate, Lindeman's and Saltram to name a few. This is a significant milestone for Byte Power, and gives the Company a major wine trading opportunity in Southeast Asia across a number of mature and growing markets. Countries like Myanmar is a largely untapped market that offers significant upside potential, whilst Singapore's wealthy population and increasingly wine savvy consumer market has steady sophisticated demand.

The company is currently supplying wines to large corporations throughout Asia, and these new premium lines will provide the Company with further growth opportunities in new markets and across a greater range of price points.

Last financial year, Byte Power has achieved 351% growth in revenue, which was partially contributed by the wine distribution business. With the broader range of Australian wine labels under the Wine Power portfolio, the wine business is expected to achieve its growth rate in excess of 200% in the first half of this financial year compared to the same period last financial year.

The IT trading business for the past financial year had improved compared to the previous period. The Company continues to develop new and existing business opportunities in the IT & T sector.

Comments on the Group's operations and results

Detailed results are as follows:

Year ended 30 June 2013	2013 \$'000	2012 \$'000	% change
Revenue from ordinary activities	6,442	1,611	300%
EBITDA	498	(777)	(164%)
Impairment	-	(306)	(100%)
Depreciation/Amortisation	(8)	(59)	(86%)
EBIT	490	(1,142)	(143%)
Financial costs	(466)	(480)	(3%)
Operating profit/(loss) before income tax	24	(1,622)	(101%)
Income tax expense	-	-	
Net profit/(loss)	24	(1,622)	(101%)

Business Unit Results are set out below:

	Revenues		Results	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Segment:				
Power Management	172	110	47	(45)
IT&T	4,829	1,150	494	(52)
E-Kiosk	3	-	(47)	(377)
Asian Business Division	1,398	350	437	235
Other	40	1	(907)	(1,383)
	<u>6,442</u>	<u>1,611</u>	<u>24</u>	<u>(1,622)</u>
Income tax expense			-	-
Profit / (Loss) for the year			<u>24</u>	<u>(1,622)</u>

Outlook

The Group will continue to focus on growing its wine distribution businesses across new brands and developing new markets.

The Board believes the positive results of 2012-13 financial year provide great confidence that BPG can expect a substantially improved financial performance in the new financial year. The Board is optimistic that Wine Power subsidiaries will continue to develop new and existing opportunities. Building on the positive outcome, the Board is also confident that the performance for this financial year will continue to improve over last year and exceed expectations.

This report is made in accordance with a resolution of the Directors.



Alvin Phua
Chairman & CEO
Brisbane, 30 August 2013

Appendix 4E

Preliminary Final Report

1. Company details

Name of entity

BYTE POWER GROUP LIMITED

ABN or equivalent company reference

80 009 268 571

Full year ended ('current period')

30 June 2013

Full year ended ('previous period')

30 June 2012

2. Results for announcement to the market

Extracts from this report for announcement to the market (see note 1).

					Current period \$A	
2.1	Revenues from ordinary activities	up	300	%	to	6,442,289
2.2	Profit (loss) from ordinary activities after tax attributable to members	Improvement	101	%	to	24,024
2.3	Net profit (loss) for the year attributable to members	Improvement	101	%	to	24,024
2.4	Dividends (distributions)	Amount per security			Franked amount per security	
	Interim dividend declared	Nil ¢			Nil ¢	
The Directors do not propose to pay any dividend for the year.						
2.5	Record date for determining entitlements to the dividend	Not applicable				
2.6	Brief explanation of any figures in 2.1 to 2.4 necessary to enable the figures to be understood					

3. NTA backing

	Current period - A cents	Previous corresponding period - A cents
3.1	Net tangible asset backing per ordinary security	(0.39) (0.40)
3.2	Brief explanation of any figures necessary to enable the figures to be understood	

4 Changes in group structure

4.1 Control gained over entities	
Name of entity (or group of entities)	Wine Power Pty Ltd
Date control gained	13 August 2012
Contribution of such entities to the reporting entity's profit (loss) from ordinary activities during the period (where material).	(471,513)
Profit / (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period.	Not applicable

provided for

4.2 Loss of control of entities	
Name of entity (or group of entities)	Byte Power Technologies Pty Ltd
Date control lost	25 January 2013
Contribution of such entities to the reporting entity's profit / (loss) from ordinary activities during the period (where material).	Not material
Consolidated profit / (loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material).	Not material

5. Dividends

5.1 Individual dividends per security				
	Date dividend is payable	Amount per Security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Interim dividend:				
Current year	Not applicable	Nil ¢	Nil ¢	Nil ¢
Previous year	Not applicable	Nil ¢	Nil ¢	Nil ¢

6. Dividend reinvestment plans

6.1 The dividend or distribution reinvestment plans shown below are in operation.	
	Not applicable
The last date for receipt of election notices for the dividend or distribution plans	Not applicable

7. Details of associates and joint venture entities

Name of Entity	Entity's percentage holding in each of these entities		Entity's investment in each of these entities	
	Current Period %	Previous Corresponding Period %	Current Period \$A	Previous Corresponding Period \$A
Not applicable				
Groups' aggregate share of associates' and joint venture entities' profits / (losses) (where material).			Current Period \$A	Previous corresponding period - \$A
Profit (loss) from ordinary activities before tax			-	-
Income tax on ordinary activities			-	-
Net profit (loss)			-	-
Adjustments			-	-
Share of net profit (loss) of associates and joint venture entities.			-	-

The consolidated entity's financial report for the year ended 30 June 2013 is yet to be audited.

The Directors anticipate that the independent auditor's report on the consolidated entity's financial report for the year ended 30 June 2013 will contain an emphasis of matter relating to the preparation of the financial report on a going concern basis.

Sign here: 

 (Company Secretary)

Date: 30-Aug-13

Ethel Lau

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013**

	Note	30 JUNE 2013 A\$	30 JUNE 2012 A\$
Continuing operations			
Revenues	2	<u>6,442,289</u>	<u>1,611,341</u>
Changes in inventories of finished goods and work in progress		123,300	(72,624)
Cost of sales		(4,770,455)	(1,275,640)
Depreciation and amortisation expenses		(5,558)	(59,084)
Provision for impairment		(2,795)	(306,310)
Finance cost expenses		(465,885)	(480,406)
Salaries and employee benefits expenses		(784,035)	(647,237)
Directors' fees		(90,400)	(90,400)
Rent and outgoings		(94,085)	(100,810)
Travel, accommodation and entertainment		(140,876)	(116,536)
Consultants / Professional fees		(94,039)	(9,013)
Other expenses from ordinary activities		<u>(93,437)</u>	<u>(75,513)</u>
Profit / (Loss) before related income tax	2	24,024	(1,622,232)
Income tax expense/(benefit)		<u>-</u>	<u>-</u>
Net Profit / (Loss) for the year		<u>24,024</u>	<u>(1,622,232)</u>
Other comprehensive income			
Exchange differences arising on translation of foreign operations		(90)	(36,368)
Income tax relating to components of other comprehensive income		<u>-</u>	<u>-</u>
Total other comprehensive income for the period, net of tax		<u>(90)</u>	<u>(36,368)</u>
Total comprehensive income attributable to members of the parent		<u>23,934</u>	<u>(1,658,600)</u>
		cents per share	cents per share
Basic earnings per share		0.001	(0.10)
Diluted earnings per share		0.001	(0.10)

The accompanying notes form part of these financial statements.

BYTE POWER GROUP LIMITED
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2013

	Note	30 JUNE 2013 A\$	30 JUNE 2012 A\$
CURRENT ASSETS			
Cash and cash equivalents	8	181,259	85,354
Receivables		1,001,926	258,147
Inventories		175,333	52,033
Other		-	-
TOTAL CURRENT ASSETS		1,358,518	395,534
NON-CURRENT ASSETS			
Property, plant and equipment		8,440	17,303
Other		11,835	11,835
TOTAL NON-CURRENT ASSETS		20,275	29,138
TOTAL ASSETS		1,378,793	424,672
CURRENT LIABILITIES			
Payables	9	5,226,598	4,140,043
Interest bearing liabilities		-	243,367
Convertible notes / loans		513,449	496,207
Provisions		283,182	253,426
TOTAL CURRENT LIABILITIES		6,023,229	5,133,043
NON-CURRENT LIABILITIES			
Interest bearing liabilities		1,919,014	1,919,014
Other financial liabilities		229,057	229,057
TOTAL NON-CURRENT LIABILITIES		2,148,071	2,148,071
TOTAL LIABILITIES		8,171,300	7,281,114
NET ASSETS		(6,792,507)	(6,856,442)
EQUITY			
Contributed equity	10	51,610,922	51,570,922
Reserves		35,976	36,066
Accumulated losses		(58,439,405)	(58,463,430)
TOTAL EQUITY		(6,792,507)	(6,856,442)

The accompanying notes form part of these financial statements.

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013**

	Contributed equity	Reserve	Accumulated losses	Total
	A\$	A\$	A\$	A\$
Balance at 1 July 2011	50,650,858	72,434	(56,841,198)	(6,117,906)
Loss for the period	-	-	(1,622,232)	(1,622,232)
Total other comprehensive income	-	(36,368)	-	(36,368)
Total comprehensive income	-	(36,368)	(1,622,232)	(1,658,600)
Transactions with equity holders in their capacity as equity holders:				
Shares issued during the period	947,564	-	-	947,564
Share issue costs	(27,500)	-	-	(27,500)
Contribution by members	920,064	-	-	920,064
Sub-total	51,570,922	36,066	(58,463,430)	(6,856,442)
Dividends paid or provided for	-	-	-	-
Balance at 30 June 2012	51,570,922	36,066	(58,463,430)	(6,856,442)
Balance at 1 July 2012	51,570,922	36,066	(58,463,430)	(6,856,442)
Profit for the period	-	-	24,024	24,024
Total other comprehensive income	-	(90)	-	(90)
Total comprehensive income	-	(90)	24,024	23,934
Transactions with equity holders in their capacity as equity holders:				
Shares issued during the period	40,000	-	-	40,000
Share issue costs	-	-	-	-
Contribution by members	40,000	-	-	40,000
Sub-total	51,610,922	35,976	(58,439,406)	(6,792,508)
Dividends paid or provided for	-	-	-	-
Balance at 30 June 2013	51,610,922	35,976	(58,439,406)	(6,792,508)

The accompanying notes form part of these financial statements.

BYTE POWER GROUP LIMITED
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	Note	30 JUNE 2013 A\$	30 JUNE 2012 A\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		6,076,707	1,524,092
Payments to suppliers and employees		(5,288,871)	(2,175,987)
Interest received		12	16
Interest and other costs of finance paid		(256,089)	(380,964)
		<hr/>	<hr/>
Net cash provided by/(used in) operating activities		531,759	(1,032,843)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		-	(19,012)
Proceeds from sale of property plant & equipment		10,970	-
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		10,970	(19,012)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issues of securities (shares, option etc.)		40,000	928,564
Share issue costs		-	(27,500)
Proceeds from / (Repayment of) borrowings		(486,734)	222,848
Payment for lease liabilities		-	-
		<hr/>	<hr/>
Net cash provided by/(used in) financing activities		(446,734)	1,123,912
Net increase/(decrease) in cash held		95,995	72,057
Effects of functional currency exchange rate change		(90)	(36,368)
Cash at beginning of year		<hr/>	<hr/>
		85,354	49,665
Cash at end of year	8	<hr/> <hr/>	<hr/> <hr/>
		181,259	85,354

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013

NOTE 1: BASIS OF PREPARATION

The preliminary final report has been prepared in accordance with ASX listing rules, the disclosure requirements of ASX Appendix 4E, Australian Accounting Standards and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The preliminary final report does not include all the notes of the type normally included in an annual report and should be read in conjunction with the annual report for Byte Power Group Limited for the financial year ended 30 June 2012, the December 2012 half-year report and any public announcements made by Byte Power Group Limited and its controlled entities during the year ended 30 June 2013 in accordance with the continuous disclosure requirements of the Listing Rules of the Australian Securities Exchange.

The accounting policies and methods of computation adopted in the preparation of the preliminary final report are consistent with those adopted and disclosed in Byte Power Group Limited's annual report for the year ended 30 June 2012. Where appropriate, comparative information is reclassified to enhance comparability.

The preliminary final report was authorised for issue by the Directors on 30 August 2013.

Going Concern

The preliminary final report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and realisation of assets and discharge of liabilities in the ordinary course of business.

The consolidated entity has made a profit from continuing operations after tax of \$24,024 (2012: Loss of \$1,622,232) for the year ended 30 June 2013. The consolidated entity was also in a net current liability position of \$4,664,711 (2012: \$4,737,507) as at 30 June 2013. There are also significant non-current liabilities.

Given the consolidated entity's net current liability position, the ability of the consolidated entity to continue as a going concern, including Byte Power Group Limited's ability to pay its debts as and when they fall due needs to be considered. The continuation of the consolidated entity as a going concern is dependent upon its ability to achieve the following:

- the continued support of major creditors and loans from the major shareholders;
- obtaining an overdraft or working capital facility to assist the consolidated entity to pay its debts on a timely basis;
- obtaining additional equity in the form of capital raising or longer term debt to enable the consolidated entity to fund operating and investing activities cash flow requirements; and
- the generation of future profits by the underlying businesses.

It is on the basis of the consolidated entity's ability to secure the above arrangements, facilities and the generation of future profits, that the Directors have prepared the financial report on a going concern basis. In the event that the above arrangements and facilities are not entered into, there is significant uncertainty as to whether the consolidated entity will continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements. The preliminary final report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013 (CONTINUED)****NOTE 2: REVENUES AND EXPENSES**

	2013	2012
	\$A	\$A
Revenue streams:		
Sales	6,117,788	1,519,509
Service	121,939	65,866
Interest	12	16
Other income	38,792	25,951
Gain on deconsolidation		
- Byte Power Technologies Pty Ltd	163,758	-
Revenue from ordinary activities	6,442,289	1,611,341
Dividends paid or provided for	10,460	-
Finance costs	465,885	480,406
Amortisation	310	388
Depreciation	5,248	58,696
Impairment	2,795	306,310

NOTE 3: INCOME TAX

The consolidated entity incurred a taxable loss for the financial year and is also in an income and capital tax loss carried forward position. No deferred tax assets have been brought to account.

NOTE 4: DIVIDENDS

The company does not have any dividend or distribution reinvestment plans in operation. The Directors do not propose to pay any dividends for the year.

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013 (CONTINUED)**

NOTE 5: EARNINGS PER SHARE

	2013	2012
Weighted average number of ordinary shares outstanding during the year used in the calculation of	1,724,903,322	1,622,990,841
(a) Basic EPS - cents per share	0.001	(0.10)
(b) Diluted EPS - cents per share	0.001	(0.10)

NOTE 6: NET TANGIBLE ASSETS (LIABILITIES)

	2013 \$A	2012 \$A
Net assets (liabilities)	(6,792,507)	(6,856,442)
Intangible assets	-	-
Net tangible assets (liabilities)	(6,792,507)	(6,856,442)
Number of shares on issue	1,732,903,322	1,719,569,989
NTA backing - cents per share	(0.39)	(0.40)

NOTE 7: SEGMENT INFORMATION

	IT&T		Power Management	
	2013	2012	2013	2012
	\$A	\$A	\$A	\$A
Revenue	4,829,032	1,150,235	172,242	109,829
Result	494,451	(51,916)	47,390	(44,967)

	Ekiosks		Corporate	
	2013	2012	2013	2012
	\$A	\$A	\$A	\$A
Revenue	2,786	192	39,784	1,224
Result	(46,892)	(377,217)	(907,786)	(1,383,330)

	Asian Business Division		Total	
	2013	2012	2013	2012
	\$A	\$A	\$A	\$A
Revenue	1,398,445	349,861	6,442,289	1,611,341
Result	436,860	235,198	24,024	(1,622,232)

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013 (CONTINUED)****NOTE 8: RECONCILIATION OF CASH**

Reconciliation of cash at the end of the year (as shown in the consolidated cash flow statement) to the related items in the accounts is as follows :

Cash on hand and at bank

181,259

85,354

Total cash at end of financial year**181,259****85,354**

	2013 SA	2012 SA
Cash on hand and at bank	181,259	85,354
Total cash at end of financial year	181,259	85,354

NOTE 9: PAYABLES

Trade creditors

1,254,571

724,471

Other creditors and accruals

3,972,027

3,415,572

5,226,598**4,140,044**

	2013 SA	2012 SA
Trade creditors	1,254,571	724,471
Other creditors and accruals	3,972,027	3,415,572
	5,226,598	4,140,044

NOTE 10: SHARE CAPITAL

Issued and paid up capital

51,610,922

51,570,922

	2013 SA	2012 SA
Issued and paid up capital	51,610,922	51,570,922

Movement in share capital during the year

Opening balance

1,719,569,989

1,403,715,440

51,570,922

50,650,858

Shares issued

13,333,333

315,854,549

40,000

947,564

Share issue costs

-

-

-

(27,500)

1,732,903,322**1,719,569,989****51,610,922****51,570,922**

	Number		SA	
	2013	2012	2013	2012
Opening balance	1,719,569,989	1,403,715,440	51,570,922	50,650,858
Shares issued	13,333,333	315,854,549	40,000	947,564
Share issue costs	-	-	-	(27,500)
	1,732,903,322	1,719,569,989	51,610,922	51,570,922

NOTE 11: EVENTS SUBSEQUENT TO REPORTING DATE

Mr Michael Walsh resigned as Director of Byte Power Group Ltd and its subsidiaries on 5 July 2013. Mr Howard Shi was subsequently appointed as Director of Byte Power Group Ltd on 5 July 2013.

Byte Power Group Ltd incorporated a foreign subsidiary Wine Power Pte Ltd ("Wine Power Singapore") on 30 July 2013 to manage the wine operations in Singapore and South East Asia.