

27 February 2015

STATEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE

Byte Power Group Half Yearly Accounts

Byte Power Group Limited is pleased to report a profit for the half year ended 31 December 2014 of \$104,035 (December 2013: profit of \$36,936).

The Group's revenues from ordinary activities for the period was \$2,280,879 compared to \$1,929,410 during the same period last year.

On 6 February 2015, BPG released a First Half Earnings Guidance advising the market of an estimated improvement in operating profit by approximately 115% for the first half of the 2014/15 financial year compared to the previous corresponding period (1H 2013/14: \$36,936). After the Group's half yearly review, the Group is delighted to report an improvement in operating profit of 181.7% compared to the half year ended 31 December 2013.

In line with the Group's strategy to further develop the Asian Business Division, sales revenues for this segment had improved by 8.3% during the half year ended 31 December 2014 compared to the same period last year with operating profit for this division increasing by 4%. The EBITDA for the Group had also improved from \$303,796 to \$364,627.

The outlook of the Group remains positive as efforts are maintained to strengthen all business segments as well as continuing to focus on expanding and developing the Asian Business Division further.

Ethel Lau
Company Secretary
Byte Power Group Limited

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Appendix 4D

Byte Power Group Ltd and Controlled Entities

Results for announcement to the market

1. Company details

Name of entity

BYTE POWER GROUP LIMITED AND CONTROLLED ENTITIES
--

ABN or equivalent company reference

80 009 268 571

Half-year ended ('current period')

31 December 2014

Half-year ended ('previous period')

31 December 2013

2. Results for announcement to the market

	Current Period	Previous Period	Movement	
	\$A	\$A	\$A	%
2.1 Revenues from continuing activities	2,280,879	1,929,410	351,469	18.2
2.2 Profit (loss) from continuing activities after tax attributable to members	104,035	36,936	67,099	181.7
2.3 Net profit (loss) for the period attributable to members	104,035	36,936	67,099	181.7
2.4 Dividends (distributions)	Amount per security	Franked amount per security		
Interim dividend declared	Nil ¢	Nil ¢		
It is not proposed to pay any dividend for the half-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.	The commentary on the results for the period is contained in the "Review of Operations" included within the Directors' Report.			

3. NTA backing

	Current period - A cents	Previous corresponding period - A cents
Net tangible asset backing per ordinary security	(0.24) ¢	(0.35) ¢

4.1 Control gained over entities

Name of entity (or group of entities)

Not applicable.

Date control gained

Not applicable.

Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material).

Not applicable.

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.

4.2 Loss of control of entities

Name of entity (or group of entities)

Not applicable.

Date control lost

Not applicable.

Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material).

Not applicable.

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 applicable.

5. Dividends

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 period	Not applicable	Nil ¢	Nil ¢	Nil ¢
Previous period	Not applicable	Nil ¢	Nil ¢	Nil ¢

6. Dividend reinvestment plans

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 associate and joint venture entities

Name of Entity	Entity's percentage holding in each of these entities		Entity's percentage holding in each of these entities	
	Current period %	Previous corresponding period - %	Current period - \$A	Previous corresponding period - \$A
Not applicable.	Not applicable		Not applicable	

Group's 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	-	-
Profit (loss) from ordinary activities after tax	-	-
Extraordinary items net of tax	-	-
Net profit (loss)	-	-
Adjustments	-	-
entities.	-	-

8. Foreign entities

For foreign entities, details of origin of accounting standards used in compiling the report (e.g. International etc.)
This half-year release has been prepared in accordance with ASX Listing Rules, the disclosure requirements of ASX Appendix 4D, Australian Accounting Standards and the Corporations Act 2001.

9. If accounts are subject to audit dispute or qualification, details are described below.

The group's financial report for the half-year ended 31 December 2014 has been subject to review by the group's auditor. The auditor's review report relating to the financial report for the half-year ended 31 December 2014 includes an emphasis of matter in respect of the preparation of the financial report on a going concern basis.

Sign here:  Date: 27-Feb-15
 (Company Secretary)

Print Name: Ethel Lau

BYTE POWER GROUP LIMITED
ABN 80 009 268 571

DIRECTORS' REPORT

The directors present their report on the Group consisting of Byte Power Group Limited and the entities it controlled at the end of, or during, the half year ended 31 December 2014, made in accordance with a resolution of the directors.

Directors

The names of the directors of the company during the half year and as at the date of this report are:

Alvin Phua
Raphael Tham
Howard Shi

Results

The Group has reported a profit for the half year ended 31 December 2014 of \$104,035 (December 2013: profit of \$36,936).

Review of Operations

Summary

The Group's revenues from ordinary activities for the period was \$2,280,879 compared to \$1,929,410 during the same period last year. The Group has experienced an improvement in both revenues from ordinary activities and net profit for the half year ended 31 December 2014 of 18.2% and 181.7% respectively compared to the half year ended 31 December 2013.

During the six month period, the Group has maintained its efforts to strengthen all business segments as well as continuing to focus on expanding and developing the Asian Business Division. This division continued to exhibit growth with revenues exceeding that of last period by 4%. The EBITDA for the Group also improved by 20% from \$303,796 to \$364,627.

In December 2014, Wine Power's very own 8 Eagles wines have been recognised at the 2014 Royal Melbourne Wine Awards and the Sydney International Wine Competition for 2015.

The Royal Melbourne Wine Awards is one of the most respected wine shows in Australia, due to the credibility of benchmarking, the quality of entrants and the ongoing support and contribution from the Victorian and greater Australian wine industry. Today it is recognised as one of Australia's most prestigious wine award programs attracting over 3,000 entries.

With such respectable standards in judging and being amongst such other high calibre entrants, it was with great honour that the 8 Eagles Platinum Label 2010 Shiraz was awarded a Bronze medal in the category of Shiraz 2011 to 2009.

BYTE POWER GROUP LIMITED

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DIRECTORS' REPORT (continued)

The 2015 Sydney International Wine Competition was judged recently by a panel of 14 international and Australian judges, with the final selection of wines judged alongside appropriate food dishes to ensure that the results reflected the way most consumers drink wine – with food.

The results of the Sydney International Wine Competition for 2015 saw the 8 Eagles Red Label 2009 Shiraz receive finalist status which meant it was rated amongst the top 20% of the total entries judged with food.

Wine Power Pty Ltd (“Wine Power”) and Wine Power Pte Limited (“Wine Power Singapore”) market its range of 8 Eagles wines from the Barossa, South Australia as well as a number of prestigious labels such as Penfolds, Wolf Blass, Wynns Coonawarra Estate, Rosemount Estate, Lindeman’s and Saltram to name a few.

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 consumers in the target market as well as acceptable price range and packaging preferences in Asia.

With this acquired knowledge, Wine Power has developed the 8 Eagles range of wines to cater for the target markets' palates and is poised to develop further branding into Singapore, Myanmar, Malaysia, Vietnam, Japan, Korea, Hong Kong and China.

Expenses in terms of salaries and travel were higher than the corresponding period due to the marketing initiative we put in place for the China market.

Outlook

Byte Power Group Limited continues to be a diversified business group focusing on distribution and trading businesses with operations in Australia and Asia. The Group maintains its efforts to strengthen all business segments as well as continuing to focus on expanding and developing the Asian Business Division.

With a positive outlook for the full 2014/15 financial year, the Group continues to focus on expanding and developing the Asian Business Division especially in wine distribution. In addition to increasing the penetration and distribution of the wine business, the group will continue to identify and develop opportunities within the Asian market, especially in the high end food and consumables sector that can leverage on the existing channels that we have established.

The directors are committed to continue to focus resources on expanding the Asian Business Division.

BYTE POWER GROUP LIMITED
ABN 80 009 268 571

DIRECTORS' REPORT
(continued)

Comments on the Group's operations and results

Detailed results are as follows:

	2014	2013	2014
	\$	\$	% change
Revenue from ordinary activities	<u>2,280,879</u>	<u>1,929,410</u>	18.22
EBITDA	364,627	303,796	20.02
Depreciation and amortisation	(1,017)	(797)	27.60
EBIT	<u>363,610</u>	<u>302,999</u>	20.00
Borrowing expenses	(259,575)	(266,063)	(2.44)
Operating result before income tax	<u>104,035</u>	<u>36,936</u>	181.66
Income tax expense	-	-	
Net profit	<u>104,035</u>	<u>36,936</u>	181.66

Cashflow analysis

The company has current assets of \$2,777,134 (30 June 2014, \$2,471,619). During the period it recorded net cash used in operating activities of \$56,382 (31 December 2013, \$241,562). The directors have considered the company and consolidated entity's, operations and cash requirements for the next 12 months, as well as the positions with respect to the management of the payment of trade creditors, and are not aware of any reason, event or transaction that would result in the company not being able to pay its debts as and when they fall due. We are of the opinion that there are reasonable grounds to believe that the company has sufficient cash resources or access to additional cash resources to continue as a going concern.

BYTE POWER GROUP LIMITED
ABN 80 009 268 571

DIRECTORS' REPORT
(continued)

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires the company's auditors, Lawler Hacketts Audit, to provide the directors with a written Independence Declaration in relation to their review of the financial report for the half year ended 31 December 2014. The Auditor's Independence Declaration is attached and forms part of this Directors' Report.

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

A handwritten signature in blue ink, consisting of a stylized 'A' and 'P' followed by a long horizontal line.

Alvin Phua
Chairman & CEO

Brisbane, 27 February 2015

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
BYTE POWER GROUP LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2014, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

PKF HACKETTS AUDIT



Liam Murphy
Partner

Brisbane, 27 February 2015

BYTE POWER GROUP LIMITED AND CONTROLLED ENTITIES
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Half-Year	
	2014	2013
	\$	\$
Revenue		
Revenue from continuing activities	2,280,879	1,929,410
Cost of goods sold	(1,234,526)	(1,213,559)
Gross Profit	1,046,353	715,851
Other income / (expense)	73,870	70,434
Depreciation and amortisation expenses	(1,017)	(797)
Borrowing cost expenses	(259,575)	(266,063)
Salaries and employee benefits expenses	(423,492)	(250,848)
Directors' fees	(45,350)	(46,964)
Rent and outgoing	(36,947)	(37,137)
Travel, accommodation and entertainment	(125,606)	(62,754)
Consultants / Professional fees	(60,999)	(28,848)
Other expenses from ordinary activities	(63,202)	(55,938)
Profit/(loss) before related income tax	104,035	36,936
Income tax expense/(benefit)	-	-
Net profit/(loss) for the period attributable to members of the parent entity	104,035	36,936
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit and loss when specific conditions are met:</i>		
Exchange differences arising on translation of foreign operations	(72,864)	(67,086)
Income tax relating to components of other comprehensive income	-	-
Total other comprehensive income for the period, net of tax	(72,864)	(67,086)
Total comprehensive income attributable to members of the parent entity	31,171	(30,150)
Basic earnings per share	cents per share 0.005 ¢	cents per share 0.002 ¢
Diluted earnings per share	0.005 ¢	0.002 ¢

The accompanying notes form part of these financial statements

BYTE POWER GROUP LIMITED AND CONTROLLED ENTITIES
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	31 December 2014 \$	30 June 2014 \$
CURRENT ASSETS			
Cash and cash equivalents	6	5,913	66,921
Receivables		1,956,287	1,986,995
Inventories	7	805,610	408,379
Other		9,324	9,324
TOTAL CURRENT ASSETS		2,777,134	2,471,619
NON-CURRENT ASSETS			
Property, plant and equipment		6,202	7,868
Other financial assets		56,682	56,631
TOTAL NON-CURRENT ASSETS		62,884	64,499
TOTAL ASSETS		2,840,018	2,536,118
CURRENT LIABILITIES			
Bank overdraft	6	41,343	
Payables		1,467,012	1,530,380
Related Party Payables		1,006,481	-
Provisions		315,408	300,887
TOTAL CURRENT LIABILITIES		2,830,244	1,831,267
NON-CURRENT LIABILITIES			
Convertible loans / Interest bearing liabilities		540,473	525,693
Related Party Payables	8	1,478,722	2,321,085
Interest bearing liabilities - related parties		3,100,563	3,053,972
Long term liabilities		137,056	82,312
TOTAL NON-CURRENT LIABILITIES		5,256,814	5,983,062
TOTAL LIABILITIES		8,087,058	7,814,329
NET ASSETS / (LIABILITIES)		(5,247,040)	(5,278,211)
EQUITY			
Contributed equity		53,109,922	53,109,922
Reserves		(61,735)	11,129
Accumulated losses		(58,295,226)	(58,399,262)
TOTAL EQUITY		(5,247,040)	(5,278,211)

The accompanying notes form part of these financial statements

BYTE POWER GROUP LIMITED AND CONTROLLED ENTITIES
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Contributed equity A\$	Reserve A\$	Accumulated losses A\$	Total A\$
Balance at 1 July 2013	51,610,922	35,976	(58,439,404)	(6,792,506)
Profit for the period	-	-	36,936	36,936
Total other comprehensive income	-	(67,086)	-	(67,086)
Total comprehensive income	-	(67,086)	36,936	(30,150)
Shares issued during the period	339,000	-	-	339,000
Share issue costs	-	-	-	-
Contribution by members	339,000	-	-	339,000
Sub-total	51,949,922	(31,109)	(58,402,468)	(6,483,656)
Dividends paid or provided for	-	-	-	-
Balance at 31 December 2013	51,949,922	(31,109)	(58,402,468)	(6,483,656)
Balance at 1 July 2014	53,109,922	11,129	(58,399,262)	(5,278,211)
Profit for the period	-	-	104,035	104,035
Total other comprehensive income	-	(72,864)	-	(72,864)
Total comprehensive income	-	(72,864)	104,035	31,171
Shares issued during the period	-	-	-	-
Share issue costs	-	-	-	-
Contribution by members	-	-	-	-
Sub-total	53,109,922	(61,735)	(58,295,227)	(5,247,040)
Dividends paid or provided for	-	-	-	-
Balance at 31 December 2014	53,109,922	(61,735)	(58,295,227)	(5,247,040)

The accompanying notes form part of these financial statements

BYTE POWER GROUP LIMITED AND CONTROLLED ENTITIES
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Note	Half-Year	
		2014 A\$	2013 A\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		2,623,987	1,767,167
Payments to suppliers and employees		(2,496,057)	(1,908,700)
Interest received		14	18
Interest and other costs of finance paid		(184,327)	(100,047)
		<hr/>	<hr/>
Net cash provided by/(used in) operating activities		(56,382)	(241,562)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		649	-
Payment for other financial assets		-	-
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		649	-
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issues of share capital		-	339,000
Proceeds from borrowings		26,244	27,898
Repayment of lease liabilities		-	-
		<hr/>	<hr/>
Net cash provided by/(used in) financing activities		26,244	366,898
Net increase/(decrease) in cash held		(29,489)	125,336
Effects of functional currency exchange rate		(72,864)	(67,085)
Cash at beginning of half year		66,921	181,259
		<hr/>	<hr/>
Cash at end of half year	6	(35,430)	239,509

The accompanying notes form part of these financial statements

NOTE 3: Segment Reporting

A\$	Power		IT&T		Asian Business Division		Corporate		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenue										
Sales to customers outside the group	41,487	38,953	838,468	597,433	1,400,925	1,293,024	-	-	2,280,879	1,929,410
Inter segment revenues	-	-	-	-	-	-	324,168	170,581	324,168	170,581
	41,487	38,953	838,468	597,433	1,400,925	1,293,024	324,168	170,581	2,605,047	2,099,991
Eliminations									(324,168)	(170,581)
Total segment revenue									2,280,879	1,929,410
Results										
Segment result	(41,939)	4,870	75,413	(129,219)	618,305	591,897	(547,742)	(430,612)	104,036	36,936
Interest expense	(806)	(20)	(28,331)	(56,278)	(922)	(43)	(229,516)	(209,722)	(259,575)	(266,063)
Depreciation	(29)	(42)	(166)	(292)	-	-	(822)	(463)	(1,017)	(797)
Net profit / (loss) before tax	(41,939)	4,870	75,413	(129,219)	618,305	591,897	(547,742)	(430,612)	104,035	36,936
Tax	-	-	-	-	-	-	-	-	-	-
Net profit / (loss) after tax	(41,939)	4,870	75,413	(129,219)	618,305	591,897	(547,742)	(430,612)	104,036	36,936
Assets										
Segment assets	15,352	75,812	1,638	1,943	3,352,068	2,011,045	622,087	647,692	3,991,145	2,736,492
Inter segment elimination	-	-	-	-	(623,929)	(623,929)	(527,196)	(246,259)	(1,151,125)	(870,188)
Total group assets	15,352	75,812	1,638	1,943	2,728,138	784,501	94,891	401,433	2,840,018	1,866,304

NOTE 4: Subsequent Events

No matters or circumstances has arisen since 31 December 2014 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTE 5: Contingent liabilities

There have been no significant changes to the contingent liabilities presented at 30 June 2014.

NOTE 6: Cash at bank

	Dec-14	Jun-14
Cash and cash equivalents	5,913	66,921
Bank overdraft, unsecured	(41,343)	-
Cash at bank	(35,430)	66,921

NOTE 7: Inventory

	Dec-14	Jun-14
Finished goods - Power Mangement	41,163	49,737
Less Provison for slow moving stock	(31,215)	-
	9,948	49,737
Finished goods - Wine Stocks	795,662	358,642
	805,610	408,379

NOTE 8: Related party payables - non current

The related party payables represents the amount payable to director's related entities that have been reclassified from current payables to non current liabilities as at 31 December 2014 as new payment arrangements were entered into by certain directors' related entities during the half-year.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF BYTE POWER GROUP LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Byte Power Group Limited ("the Company") and its controlled entities ("the consolidated entity"), which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Byte Power Group Limited and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Byte Power Group Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 in the financial statements, which indicates that the consolidated entity has recorded a net current asset deficiency of \$53,110 (June 2014: Net current assets of \$640,352) and net liabilities of \$5,205,697 (June 2014: \$5,278,211). This, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

PKF HACKETTS
PKF HACKETTS AUDIT



Liam Murphy
Partner

Brisbane, 27 February 2015