

**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 group”) and the entities it controlled at the end of, or during, the year ended 30 June 2019.

Directors

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

Alvin Phua

Yano Lim

Michael Wee

William Yuen (appointed 15 March 2019)

Raphael Tham (resigned 15 March 2019)

Review of Operations

Summary

For the year ended 30 June 2019, the group reports a net loss before tax of \$2.506M compared with last year’s reported loss of \$11.270M. Revenues across all the business segments fell. Management was actively involved in the development and launch of the cryptocurrency exchange, which was launched in January 2019. There are currently over 2400 registrants on the exchange. During the year over \$1.03M of funds were raised through the sale of BPX tokens. Correspondingly, costs relating to the management of the cryptocurrency exchange of \$0.272M were incurred during the year. The Group incurred a provision expense of \$1.2M for the prepayment made to an IT vendor who did not supply the inventory ordered. The Group continues to pursue the repayment from the vendor.

EBITDA loss for the year was \$1.825M which includes the provision and is compared to an EBITDA loss of \$6.16M the previous year after excluding the impairment expense.

Revenues from ordinary activities in the financial year ended 30 June 2019 were \$1.054M compared to \$1.16M in the financial year ended 30 June 2018. Revenues from the IT&T division contributed \$1.027M for this financial year compared to nil revenue in the financial year ended 30 June 2018. This increase was due to the sale of

BPX tokens during the year. Sales revenues from the Asia Business Division contributed \$0.021M for this financial year as compared to \$1.154M in the financial year ended 30 June 2018. This decline was due in part to the continued austerity drive in China. There were also no sales of the Wimobilize's Big Data solution during the period.

For the year ended 30 June 2019, sales revenue generated from the IT&T business division contributed to 97.4% of total revenue for the group (30 June 2018: 0%). Sales revenue generated from the Asia Business Division for the year contributed 1.8% of the total revenue for the group (30 June 2018: 99.1%). This decline was due largely to company resources being focused on the development and launching of the cryptocurrency exchange.

The Group made significant progress on the development of its Cryptocurrency Exchange culminating in the official launch of the Exchange platform in January 2019.

Comments on the Group's operations and results

Detailed results are as follows:

Year ended 30 June 2019	2019	2018	% change
	\$'000	\$'000	
Revenue from ordinary activities	1,054	1,164	(9%)
EBITDA	(1,824)	(6,162)	
Impairment	-	(4,734)	
Depreciation/Amortisation	(23)	(16)	44%
EBIT	(1,847)	(10,912)	
Financial costs	(659)	(358)	84%
Operating profit/(loss) before income tax	(2,506)	(11,270)	(78%)
Income tax expense	-	-	
Net profit/(loss)	(2,506)	(11,270)	(78%)

Business Unit Results are set out below:

Segment:	Revenues		Results	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Power Management	6	10	3	(4)
IT&T	1,027	-	(861)	(2,423)
Asia Business Division	21	1,154	(46)	(2,081)
Other	-	-	(1,602)	(6,762)
	<u>1,054</u>	<u>1,164</u>	<u>(2,506)</u>	<u>(11,270)</u>
Income tax expense	-	-	-	-
Profit for the year			<u>(2,506)</u>	<u>(11,270)</u>

Outlook

Over the next 12 months the Group will complete further improvements to the functionalities of the exchange. BPG will continue to leverage on its networks with synergistic partnerships leading to further growth.

BPG will continue to explore new and existing business opportunities for the IT&T and wine distribution business in the Asia Pacific region.

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



Alvin Phua
Chairman & CEO
Brisbane, 31 August 2019

Appendix 4E

Preliminary Final Report

Results for announcement to the market
for the year ended 30 June 2019

1. Company details

Name of entity

BYTE POWER GROUP LIMITED AND CONTROLLED ENTITIES

ABN or equivalent company reference

80 009 268 571

Full year ended ('current period')

30 June 2019

Full year ended ('previous period')

30 June 2018

2. Results for announcement to the market

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

	Current Period	Previous Period (Restated)*	Movement	
	\$A	\$A	\$A	%
2.1 Revenues from ordinary activities	1,054,196	1,163,733	(109,537)	(9)
2.2 Profit (loss) from ordinary activities after tax attributable to members	(2,506,300)	(11,269,867)	8,763,567	78
2.3 Net profit (loss) for the period attributable to members	(2,506,300)	(11,269,867)	8,763,567	78
* Refer to Note 19 for information on restated balances.				
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	Please refer to attached commentary on results.			

3. NTA backing

	Current period - \$A cents	Previous corresponding period - \$A cents
3.1 Net tangible asset backing per ordinary security	(0.26)	(0.17)
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)	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).	Nil
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).	Nil

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	Not applicable		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 2019 is yet to be audited.

The audit is not yet at a stage where it is possible for the Directors to anticipate whether the independent audit report will be subject to a modified opinion, emphasis of matter or other matter paragraph.

Sign here:  Date: 31-Aug-19
 (Company Secretary)
 Michael Wee

BYTE POWER GROUP LIMITED

ABN 80 009 268 571

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	30 JUNE 2019 A\$	30 JUNE 2018 (Restated)* A\$
Revenue			
Revenue from continuing activities	4	1,054,196	1,163,733
Cost of goods sold		(314,693)	(1,209,812)
Gross Profit		<u>739,503</u>	<u>(46,080)</u>
Other income / (expense)	4	117,476	929,920
Depreciation and amortisation expenses		(22,772)	(15,716)
Finance cost expenses		(657,829)	(357,725)
Salaries and employee benefits expenses		(319,028)	(412,338)
Directors' fees		(148,920)	(104,750)
Share based payments	14	-	(830,000)
Rent and outgoings		(95,384)	(70,749)
Travel, accommodation and entertainment		(166,685)	(250,852)
Consultants / Professional fees		(529,505)	(905,615)
Loss on revaluation - cryptocurrency		-	(1,067,765)
Fair value adjustment - sundry creditors		(88,614)	-
Provision for impairment - trade receivables		(1,134,969)	(2,509,785)
Loss on settlement - cryptocurrency		-	(4,734,364)
Other expenses from ordinary activities	4	(199,574)	(894,048)
Profit / (Loss) before related income tax		(2,506,300)	(11,269,867)
Income tax expense/(benefit)		-	-
Net Profit / (Loss) for the year		<u>(2,506,300)</u>	<u>(11,269,867)</u>
Profit / (Loss) for the year attributable to:			
Owners of Byte Power Group Limited		(2,506,300)	(8,367,429)
Non-controlling interests		-	(2,902,438)
		<u>(2,506,300)</u>	<u>(11,269,867)</u>
Other comprehensive income			
Exchange differences arising on translation of foreign operations		(9,873)	17
Asset revaluation of Cryptocurrency		-	(7,376,656)
Income tax relating to components of other comprehensive income		-	-
Total other comprehensive income for the period, net of tax		<u>(9,873)</u>	<u>(7,376,639)</u>
		<u>(2,516,173)</u>	<u>(18,646,506)</u>
Total comprehensive income attributable to members of the parent entity		(2,516,173)	(12,677,099)
Total comprehensive income attributable to NCI		-	(5,969,406)
		<u>(2,516,173)</u>	<u>(18,646,505)</u>
From continuing and discontinued operations			
		cents per share	cents per share
Basic earnings per share	7	(0.082)	(0.368)
Diluted earnings per share	7	(0.082)	(0.368)
From continuing operations			
Basic earnings per share	7	(0.082)	(0.368)
Diluted earnings per share	7	(0.082)	(0.368)
From discontinued operations			
Basic earnings per share	7	-	-
Diluted earnings per share	7	-	-

The accompanying notes form part of these financial statements.

* Refer to Note 19 for information on restated balances.

BYTE POWER GROUP LIMITED
ABN 80 009 268 571

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		30 JUNE 2019	30 JUNE 2018
	Note	A\$	(Restated)*
		A\$	A\$
CURRENT ASSETS			
Cash and cash equivalents	10	11,942	72,759
Receivables	11	200,865	3,032,867
Inventories		32,795	60,513
Intangible assets - Cryptocurrency	12	77,096	50,530
Other		3,620	3,620
TOTAL CURRENT ASSETS		326,319	3,220,289
NON-CURRENT ASSETS			
Property, plant and equipment		-	4,513
Intangible assets - Software development	12	376,082	157,099
Other		16,500	16,500
TOTAL NON-CURRENT ASSETS		392,582	178,112
TOTAL ASSETS		718,900	3,398,401
CURRENT LIABILITIES			
Payables	13	648,381	3,444,303
Related party payables		2,761,032	1,047,500
Interest bearing liabilities (related Parties)	16	1,147,214	281,096
Provisions		305,287	283,819
Deferred revenue		79,551	-
Borrowings		-	-
TOTAL CURRENT LIABILITIES		4,941,466	5,056,718
NON-CURRENT LIABILITIES			
Convertible loans		1,078,316	1,069,012
Related party payables	17	86,946	115,476
Interest bearing liabilities - related parties	17	2,159,911	2,188,760
Long term liabilities		17,500	17,500
Deferred tax liability		-	-
TOTAL NON-CURRENT LIABILITIES		3,342,673	3,390,748
TOTAL LIABILITIES		8,284,139	8,447,466
NET ASSETS		(7,565,238)	(5,049,065)
EQUITY			
Contributed equity	12	53,944,922	53,944,922
Reserves		(80,206)	(70,333)
Accumulated losses		(61,429,954)	(58,923,654)
EQUITY ATTRIBUTED TO OWNERS OF BYTE POWER GROUP LTD		(7,565,238)	(5,049,065)
NON-CONTROLLING INTERESTS		-	-
TOTAL EQUITY		(7,565,238)	(5,049,065)

The accompanying notes form part of these financial statements.

* Refer to Note 19 for information on restated balances.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Contributed equity	Reserves	Accumulated losses (Restated)*	Non-Controlling Interest	Total
	A\$	A\$	A\$		A\$
Balance at 1 July 2017	53,109,922	13,169,084	(58,344,481)	4,827,916	12,762,442
Profit for the period	-	-	(8,367,429)	(2,902,438)	(11,269,867)
Total other comprehensive income	-	(4,309,670)	-	(3,066,969)	(7,376,639)
Total comprehensive income	-	(4,309,670)	(8,367,429)	(5,969,407)	(18,646,506)
Transactions with equity holders in their capacity as equity holders:					
Shares issued during the period	5,000	-	-	-	5,000
Share based payments	830,000	-	-	-	830,000
Transfer to reserve	-	(2,781,339)	2,781,339	-	-
Derecognition of non-controlling interest in Byte Power Pty Ltd	-	(6,148,408)	5,006,918	1,141,490	-
Contribution by members	835,000	(8,929,747)	7,788,257	1,141,490	835,000
Sub-total	53,944,922	(70,333)	(58,923,654)	-	(5,049,065)
Dividends paid or provided for	-	-	-	-	-
Balance at 30 June 2018	53,944,922	(70,333)	(58,923,654)	-	(5,049,065)
Balance at 1 July 2018	53,944,922	(70,333)	(58,923,654)	-	(5,049,065)
Loss for the period	-	-	(2,506,300)	-	(2,506,300)
Total other comprehensive income	-	(9,873)	-	-	(9,873)
Total comprehensive income	-	(9,873)	(2,506,300)	-	(2,516,173)
Transactions with equity holders in their capacity as equity holders:					
Shares issued during the period	-	-	-	-	-
Share based payments	-	-	-	-	-
Transfer of reserve	-	-	-	-	-
Derecognition of non-controlling interest in Byte Power Pty Ltd	-	-	-	-	-
Contribution by members	-	-	-	-	-
Sub-total	53,944,922	(80,206)	(61,429,954)	-	(7,565,238)
Dividends paid or provided for	-	-	-	-	-
Balance at 30 June 2019	53,944,922	(80,206)	(61,429,954)	-	(7,565,238)

The accompanying notes form part of these financial statements.

* Refer to Note 19 for information on restated balances.

BYTE POWER GROUP LIMITED

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	30 JUNE 2019 A\$	30 JUNE 2018 A\$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		397,172	229,535
Receipts from sale of BPX tokens		1,027,226	-
Payments to suppliers and employees		(1,915,131)	(3,428,952)
Interest received		-	-
Soar Labs settlement proceeds		612,270	-
Interest and other costs of finance paid		(38,469)	(4,271)
		<hr/>	<hr/>
Net cash provided by/(used in) operating activities		83,068	(3,203,688)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		-	(388)
Payment for intangible assets		(329,063)	(64,434)
Proceeds from disposal of cryptocurrency assets		163,153	2,393,814
Proceeds from partial disposal of subsidiary		-	-
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		(165,910)	2,328,992
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	-
Share issue costs		-	-
Proceeds from issue of convertible note		-	1,000,000
Proceeds from borrowings		474,188	31,761
Repayment of borrowings		(452,162)	(102,903)
Payment for lease liabilities		-	-
		<hr/>	<hr/>
Net cash provided by/(used in) financing activities		22,026	928,858
Net increase/(decrease) in cash held		(60,816)	54,162
Effects of functional currency exchange rate change		-	(623)
Cash at beginning of year		72,759	19,221
		<hr/>	<hr/>
Cash at end of year	10	11,942	72,759

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

BYTE POWER GROUP LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

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 2018, the December 2018 half-year report and any public announcements made by Byte Power Group Limited and its controlled entities during the year ended 30 June 2019 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 2018. Where appropriate, comparative information is reclassified to enhance comparability.

Intangible Assets - Software Development

Costs incurred in developing products or systems and costs incurred in acquiring software or licences that will contribute to future period financial benefits through revenue generation and / or cost reduction are capitalised as an intangible asset – software development. Similarly costs incurred on development projects (related to the design or testing of new or improved products) are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and deliver future economic benefits and its costs can be measured reliably. Amortisation commences on capitalised costs upon project completion and the point at which the asset is ready for use. Research expenditure is expensed as incurred.

During the period, amortisation commenced on software development intangible costs, which have an estimated useful life of 10 years. Amortisation has been applied on a straight-line basis.

Intangible assets – Cryptocurrency

The Group held Bitcoins, a form of cryptocurrency token. Bitcoins are a form of digital currency which can be acquired on public exchanges, with a fixed supply of coins available in the market. Although the coins held can be sold, transferred or exchanged individually, they lack physical substance and are not deemed to be government or state-backed tender, nor financial instruments in accordance with International Financial Reporting Standards. The coins are classified as intangible assets, recognised initially at cost but subsequent to cost, at revalued amount. The coins have been assessed to have an active market. The coins are classified as 'current' assets if it is believed that the coins are expected to be either substantially disposed of, or liquidated, within twelve months from balance date.

In accordance with IFRS, revaluation movements are recognised in other comprehensive income in a separate reserve in equity. Revaluation losses, to the extent not reversing prior revaluation gains, are recognised in profit and loss.

Refer to Note 2 for further discussion of the Group's assessment of judgement and risks associated with the valuation of Bitcoins.

The preliminary final report was authorised for issue by the Directors on 30 August 2019.

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 loss from continuing operations before tax of \$2,506,300 (2018: \$11,269,867) for the year ended 30 June 2019. The consolidated entity was in a net current asset deficiency position of \$4,615,147 (2018: net current asset deficiency position \$1,836,429) as at 30 June 2019.

Given the consolidated entity's net 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
- obtaining additional working capital in the form of cash receipts from the sale of other assets of the consolidated entity including the sale of BPX tokens 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 2019 (CONTINUED)

NOTE 2: CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

(a) Valuation of Bitcoins

The value of Bitcoins is measured at fair value using the quoted price obtained from the cryptocurrency site Coinmarketcap at balance date, translated from its denominated USD rate to an AUD rate. This is considered to represent a quoted price in an active market for identical assets. Management has selected this site as it is the main site that the cryptocurrency industry uses to benchmark pricing and is recognised as a reliable resource to determine fair value for the size and volume of transactions that are reasonably contemplated by the Group.

Bitcoins have a fixed supply in the market. The cryptocurrency market can have significant volatility. The volatility in price can have a material impact on the total value of coins presented at any point in time.

(b) Classification of Bitcoins

Bitcoins held have been classified as a current intangible asset as it is expected that management will substantially dispose or liquidate the coins held during the twelve months from balance date. This assumption relies on the ability of the Group to obtain acceptance of the coins in securing extinguishment of creditors and to liquidate the coins to other cash and cash equivalents. There is inherent risk associated with both of these activities due to the acceptance of cryptocurrency by market participants, and the ability of the Group to liquidate coins for an acceptable price on an exchange where significant volumes are not currently traded.

NOTE 3: INTEREST IN CONTROLLED ENTITIES

During the year there were no changes to interests in controlled entities.

NOTE 4: REVENUES AND EXPENSES

	2019 \$A	2018 \$A
Revenue streams:		
Sales	20,970	1,153,805
BPX token sales	1,027,226	-
Service	6,000	9,927
	1,054,196	1,163,733
Interest	-	-
Other income	-	-
	-	-
Revenue from ordinary activities	1,054,196	1,163,733
Computer expenses	62,797	22,385
Fees, duties and charges	102,155	131,363
Telephone & fax	12,403	10,583
Other expenses	22,219	729,717
Other expenses from ordinary activities	199,574	894,048
Gain on sale of cryptocurrency	40,755	775,411
Foreign exchange gains (losses) and other income	76,721	154,509
	117,476	929,920

NOTE 5: INCOME TAX

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

NOTE 6: 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 2019 (CONTINUED)**

NOTE 7: EARNINGS PER SHARE

Weighted average number of ordinary shares outstanding during the year used in the calculation of:

- (a) Basic EPS - cents per share
(b) Diluted EPS - cents per share

2019		2018 (Restated)*		
3,065,069,989		3,065,069,989		
Continuing Operations	Total	Continuing Operations	Discontinued Operations	Total
(0.082)	(0.082)	(0.368)	-	(0.368)
(0.082)	(0.082)	(0.368)	-	(0.368)

NOTE 8: NET TANGIBLE ASSETS (LIABILITIES)

- Net assets (liabilities)
Intangible assets
Net tangible assets (liabilities)
Number of shares on issue
NTA backing - cents per share

2019 \$A	2018 (Restated)* \$A
(7,565,238)	(5,049,065)
453,178	207,629
(8,018,416)	(5,256,694)
3,065,069,989	3,065,069,989
(0.26)	(0.17)

NOTE 9: SEGMENT INFORMATION

AS\$	Power Management Management		IT&T		Asian Business Division		Corporate		Total	
	2019	2018	2019	2018 (Restated)*	2019	2018 (Restated)*	2019	2018	2019	2018 (Restated)*
Revenue										
Sales to customers outside the group	6,000	9,927	1,027,340	-	20,856	1,153,805	-	-	1,054,196	1,163,733
Other revenue	-	-	-	-	-	-	-	-	-	-
Total segment revenue from continuing operations	6,000	9,927	1,027,340	-	20,856	1,153,805	-	-	1,054,196	1,163,733
Eliminations										
Total segment revenue operations									1,054,196	1,163,733
Segment result	2,975	(4,604)	(861,111)	(2,422,916)	(45,901)	(2,080,701)	(1,602,264)	(6,761,646)	(2,506,300)	(11,269,867)
Interest expense	-	-	3,913	3,858	222,511	74,900	431,404	278,967	657,829	357,725
Depreciation	-	10,094	18,259	447	-	-	4,513	5,175	22,772	15,716
Net profit / (loss) before tax	2,975	(4,604)	(861,111)	(2,422,916)	(45,901)	(2,080,701)	(1,602,264)	(6,761,646)	(2,506,300)	(11,269,867)
Tax	-	-	-	-	-	-	-	-	-	-
Net profit / (loss) after tax	2,975	(4,604)	(861,111)	(2,422,916)	(45,901)	(2,080,701)	(1,602,264)	(6,761,646)	(2,506,300)	(11,269,867)
Assets										
Segment assets	15	-	686,536	1,705,990	15,882	1,292,737	16,468	399,674	718,900	3,398,401
Inter segment elimination										
Total group assets	15	-	686,536	304,860	15,882	3,516,764	16,468	476,599	718,900	3,398,401

For segment reporting purposes, the IT&T segment includes the income and results from the BPX token sales during the year ended 30 June 2019.

NOTE 10: 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

2019 \$A	2018 \$A
11,942	72,759
11,942	72,759

* Refer to Note 19 for information on restated balances.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)****NOTE 11: RECEIVABLES**

	2019 \$A	2018 (Restated) \$A
Trade debtors	200,865	1,887,473
Receivable for prepaid development fees	-	1,145,394
	200,865	3,032,867

Receivables have decreased significantly due to both decreased sales to customers and increase in provision for doubtful debts based on the Group's provision policy.

NOTE 12: INTANGIBLE ASSETS**Cryptocurrency:**

The Group held both Bitcoins and BPX tokens as at 30 June 2019. The value of Bitcoins is measured at fair value using the quoted price obtained from the cryptocurrency site Coinmarketcap at balance date, translated from its denominated USD value to AUD. There was no value allocated to BPX tokens held by the Group as at 30 June 2019.

Software Development Cost:

	2019 \$A	2018 \$A
Cost	394,340	157,099
Accumulated Amortisation	(18,259)	-
	376,082	157,099

NOTE 13: PAYABLES

	2019 \$A	2018 \$A
Trade creditors	359,292	2,434,449
Other creditors and accruals	289,089	1,009,854
	648,381	3,444,303

Payables have decreased significantly due to the reclassification of an amount owing to a related entity of the new director from payables to related party payables.

NOTE 14: SHARE BASED PAYMENTS

During the year ended 30 June 2018 the Directors received a payment of a bonus (issued through shares, as a share based payment) of \$830,000. A total of 830,000,000 shares were issued at an issue price of \$0.001 as disclosed in share capital, pursuant to the ratification of this issue at the Company's last annual general meeting.

NOTE 15: SHARE CAPITAL

	2019 \$A	2018 \$A
Issued and paid up capital	53,944,922	53,944,922

Movement in share capital during the year

	Number		\$A	
	2019	2018	2019	2018
Opening balance	3,065,069,989	2,235,069,989	53,944,922	53,109,922
Shares issued	-	830,000,000	-	835,000
	3,065,069,989	3,065,069,989	53,944,922	53,944,922

NOTE 16: RELATED PARTY PAYABLES - CURRENT

The current related party payables as at 30 June 2019 represents amounts payable to director related entities which are or may be due and payable within the next 12 months. Related party payables have increased significantly due to the reclassification of an amount owing to a related entity of the new director from payables to related party payables.

NOTE 17: RELATED PARTY PAYABLES - NON CURRENT

The non current related party payables represents amounts payable to director related entities, for which settlement has been deferred for more than 12 months.

NOTE 18: EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs for the consolidated entity in future financial years.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019 (CONTINUED)****NOTE 19: PRIOR PERIOD ADJUSTMENTS**

Due to an error made on the allocation of the total consideration to parties resulting from the Deed of Settlement with Soar Labs Pte Ltd in May 2018 the consolidated entity has had to restate the 30 June 2018 balance of its financial statements. The restatement below will increase (negative impact) the balance of Accumulated losses as at 30 June 2018.

	Reported at 30 June 2018	Error Adjustment	Restated 30 June 2018
Assets			
Receivables	3,855,149	(822,282)	3,032,867
Total Assets	<u>4,220,683</u>	<u>(822,282)</u>	<u>3,398,401</u>
Liabilities			
Total Liabilities	8,447,466	-	8,447,466
Equity			
Accumulated Losses	<u>(58,101,372)</u>	<u>(822,282)</u>	<u>(58,923,654)</u>
Total Equity	<u>(4,226,783)</u>	<u>(822,282)</u>	<u>(5,049,065)</u>
Revenue			
Total Revenue	1,163,733	-	1,163,733
Expenses			
Loss on revaluation - cryptocurrency	245,483	822,282	1,067,765
Total Expenses	<u>11,611,318</u>	<u>822,282</u>	<u>12,433,600</u>
Net Profit / (Loss) for the year	<u>(10,447,585)</u>	<u>(822,282)</u>	<u>(11,269,867)</u>