ANNUAL REPORT

30 June 2009

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CHAIRMAN'S REPORT

Group performance has been affected by the poor global economic conditions. Discussions with Australian companies for our software and IT volume business will continue to progress to the new financial year. Limited working capital has impacted on the expansion of the project in Chongqing. As such, 2009 was a difficult year. However, with the improving global conditions, the Group is cautiously optimistic for the coming year.

Revenues from ordinary activities in the year were $832,726 compared to $1,652,237 in the prior year as some local projects were delayed. The net loss for the year was $1,954,327 compared to $2,072,082 in the 2007-2008 year. The EBITDA loss for the year was $1,175,197 compared with $1,260,476 in 2007-2008.

Under the tight economic conditions, the company has managed to raise $1,060,500 in the form of placements and converting loans during the year. A further $857,518 has been raised in the month of July 2009 by means of converting loans. These loans will be converted to ordinary shares at 0.5 cents per share if approved by shareholders at the upcoming AGM.

A $2,000,000 convertible note has been acquired by related parties of the management. The Directors anticipate that these convertible notes, and associated interest of approximately $271,000, will be converted to equity. With the conversion of these convertible notes, as well as the two other converting loans totalling $857,518, the Group's current liabilities will be significantly reduced by $3,128,518.

On the business development front, we have been actively seeking new opportunities which are strategic with the Group's activities both locally and overseas with IBM and Cisco.

Outlook

Despite the economic climate the Group has continued to sustain its market presence in the UPS segment and continues to seek new opportunities beyond the maintenance and service business both locally and overseas.

In China, interest continues to be shown in the Chongqing e-Kiosk project by potential partners and other cities within China.

The signing of an exclusive five (5) year agreement with Universal Travel Group Inc. (UTG) to provide *TRIPEASY* terminals and content will enable the residents of Chongqing city to book travel arrangements and access entertainment guides in an easy to use and convenient manner using a dedicated public access terminal.

Both organisations will continue to increase the range and type of services offered. Delivery of additional services will further enhance the experience and value of the solution to the population of Chongqing.

Development of the solution continues with potential opportunities of providing the technology to a range of large organisations in Australia..

Towards the end of the period Byte Power was able to restart the IT volume business. Trading had been a key revenue generator for the business prior to 2003 when it was shut down due to the lack of opportunities. Recent changes in Hong Kong and China have provided the opportunity to recommence IT trading and Byte Power hopes to be able to leverage on its strong relationships with major global IT vendors to capitalize on these opportunities.

The Board remains committed to the Group's long term strategic growth. Despite the current year's performance, the recent acquisition of the convertible note by the related parties and additional funds raised signifies the confidence and commitment of the management and the shareholders of the company.

We look forward to continuing growth in our core activities and projects whilst exploring new opportunities. The company looks forward to the continuing support of investors and shareholders to achieve its goals for the next year.

Glenn Ferguson
Chairman

REVIEW OF OPERATIONS

Company Background and Overview

Byte Power Group Limited is a diversified technology solutions group with active business operations in Australia and Asia. The Group is also a specialist provider of IT&T solutions to leading organisations in the SME, corporate and government sectors throughout Australia and China. The Group provides turnkey solutions that support whole of enterprise requirements.

In China Byte Power is currently implementing a city wide e-Kiosk solution in Chongqing City. This Byte Power solution provides the general population convenient access to a range of on and off line services as well as enhancing the city's outlook. The Chongqing City e-Kiosk agreement allows for the development of up to 3,000 sites across Chongqing City.

Byte Power also provides specialist network solutions with the design, distribution and maintenance of Uninterruptible Power Supplies (UPS) and the design and manufacture of the Mediator range of network, physical and environmental monitoring and management equipment.

IFCA provides whole of business software solutions to a range of industry groups including the property, hospitality, manufacturing and finance sectors. Byte Power is a partner of IFCA Software Solutions in Australia, New Zealand, Hong Kong, Macau and China.

Byte Power's current clients include Boeing, Terry White Chemists, Lenards, Department of Defence, Telstra, Mulpha Sanctuary Cove, the Economic Development Board of Singapore, Telekom Malaysia, PowerTel, Bovis Lend Lease, BHP BMA, Jabatan Kerja Raya (JRK) Malaysia, NSW Fire Brigade, Big W, Kmart, L'Oreal, Toys R Us, CSIRO, Nike Australia, Shell Company of Australia, Pioneer Australia, Revlon, CITEC, Bristol Myers, Metropolitan Fire Brigade, Queensland Performing Arts Complex and Glaxo.

The Group continues to search out new markets and opportunities and in the past year has successfully developed new business opportunities in delivery of digital signage and IT based consultancies to key clients.

The Group's key strengths are its corporate relationships established over 19 years and its extensive network of relationships in Singapore, Malaysia, Hong Kong, Macau and China. Byte Power has been successful in continuing to develop these relationships to further increase these opportunities and grow the business over time.

Corporate Capability

Byte Power combines three core competencies into a strong IT solutions focussed organisation with offices in Australia, Singapore, Hong Kong, China and San Francisco. It has the ability and the expertise to undertake large complex projects while offering a high level of service, strong corporate history and personnel contact.

Enterprise Solutions

Providing world class ERP software solutions for organisations in hospitality, property, manufacturing and finance industries. Byte Power offers a true 'whole of enterprise' solution that will manage all aspects of the organisation's business from the front to the back office.

Infrastructure Management

With specialist subsidiaries offering a full range of power management solutions such as UPS, network monitoring and management hardware. Byte Power Group provides essential tools to support and manage enterprise wide IT infrastructure.

Technology Projects

Byte Power has strong project management capabilities and is able to undertake diverse and complex projects with a strong emphasis on technology. Current projects include the e-Kiosk opportunity in Chongqing City. The e-Kiosk project draw on the Group's core capabilities in network design, implementation and management as well the extensive contacts and relationships developed by the Group over the past 16 years.

In China the Group has established partnerships with leading solutions and service providers such as Shanghai Nantian Computer System Co, Ltd ("Nantian"), Universal Travel Group Inc. (UTG) and Xinhua News Agency ("Xinhua") where the Group has access to expertise and knowledge skill transfer for the growing team of people in Chongqing City. These skills will enhance the Group's ability to deliver in the technology arena over the short and long term.

The Byte Power Group includes a number of related subsidiaries within Australia, including Byte Power Pty Ltd, Power Tech Systems Pty Ltd and Byte Power Technologies Pty Ltd. As a group, Byte Power Group Limited is able to offer ready access to expertise in a number of specialist fields such as monitoring, environmental control and power management to any client.

Byte Power Pty Ltd - Enterprise Solutions and IT Procurement

Byte Power Pty Ltd (formally Byte Power) was established in Queensland in 1989. Since its inception, Byte Power has become a successful and respected Information Technology firm. As a private company Byte Power was recognised over many years as one of Queensland's Top 400 privately owned companies. The Top 400 awards were based upon independent research conducted on behalf of Business Queensland in conjunction with PricewaterhouseCoopers and published annually.

Byte Power Pty Ltd continues to focus on delivery of IT products and services to SME's, corporate and government clients and is currently growing their market presence further in Victoria, New South Wales, Western Australia and Asia Pacific.

Primary focus to date has been on strategic review of opportunities with additional consultancies on internal IT policy and procedure reviews, IT hardware and software.

Byte Power has a comprehensive list of corporate and government clients across Australia which includes Lenards, Terry White Chemists, The Australian Red Cross, ADCorp, QBE Insurance, RACQ Insurance, Education QLD, QLD Police Credit Union, QR Passenger Services, QPAC, PowerTel, Hatch and QLD Rugby Union.

Power Tech Systems Pty Ltd - Enterprise Solutions and IT Procurement

Power Tech Systems Pty Ltd is a designer, importer and supplier of state of the art power management technology including UPS devices. Power Tech systems provides lifetime support for their range of products and offers 24 / 7, 365 day on-site support and maintenance services Australia wide on a majority of branded power management solutions.

Power Tech's product range includes line-interactive technology for users who require battery back up during a power outage along with nominal filtering of the incoming supply and extends through to the online double conversion units offering fully scalable solutions that can operate in N+1 configuration. These units provide redundancy and no down time during regular maintenance and emergency breakdowns.

By offering a full range of UPS solutions, and power filtering products Power Tech Systems are able to provide an off the shelf package or a custom built solution designed to meet any organisations' requirements.

Power Tech Systems provides a national service network and is able to undertake UPS maintenance on a casual or contract basis. Power Tech Systems is contracted to a number of global organisations nationally, like HP, IBM and Sun Systems to provide power management solutions and maintenance services.

A back to Base Monitoring is available 24 / 7, 365 days to all customers; this feature tops off the high level of service and availability that Power Tech's prides itself in.

Other clients include Dept of Defence, HP, IBM, SUN, Wentworth Area Health, Hospitals, City Councils, Shell, Bristol Myer Squib, HageMyer, Pioneer, Sony, Coca Cola, Melbourne Technology, Melbourne Eastern Health, Glaxo, Woolworths, Big W, Nike, Adidas and Revlon.

Byte Power Technologies Pty Ltd - Infrastructure Management

Byte Power Technologies Pty Ltd designs and manufactures a range of monitoring solutions, marketed under the name Mediator. Mediators are designed to network enable reporting and monitoring devices so that they can be monitored locally, remotely or centrally as desired. Utilising industry standard protocols the Mediator is able to be integrated into existing monitoring systems or function as a stand-alone service.

The Mediator includes intelligent monitoring software. This allows the administrator to set pre-determined thresholds for the notification of alarms to advise of on-site issues as they happen. Devices that can be monitored by the mediator include air conditioners, doors, cabinets, smoke, water etc providing a complete robust solution for any sized installation.

Byte Power has received Australian Technology Showcase (ATS) accreditation for its unique Mediator network monitoring device. The Australian Technology Showcase is supported by State and Federal Governments of Australia and is designed to promote globally, leading edge Australian innovative technologies.

Mediator devices are currently in active use throughout Australia and around the world with clients such as Telstra Australia, CITEC, Boeing, PowerTel, NSW Fire Brigade, Economic Development Board of Singapore, Amazon.com, Port of Brisbane, Metropolitan Fire and Emergency Services Board, WorkCover QLD and BHP BMA. The Mediator provides it's users with 24 / 7 monitoring ensuring that any external conditions that could affect the network availability or performance are reported promptly, accurately and quickly. The additional information available to the system administrators ensures greater network availability and less chance of unexpected outages.

Byte Power Technologies Pty Ltd continues to develop the existing Mediator solutions through software, hardware and functional enhancements as well as identifying new and alternative technologies that can enhance network provisioning and management.

Australian Technology Showcase

As developer of the underlying technology, customised solutions can be developed and delivered in a timely and cost effective manner. This also allows Byte Power Technologies to deliver relevant solutions to meet ever changing customer and market needs.

Overseas Subsidiaries – Technology Projects

Byte Power Group has overseas subsidiaries to provide local presence and support within the regional markets. They are Byte Power Technologies (INT'L) Pte Ltd in Singapore, Byte Power (HK) Limited in Hong Kong and Byte Power (Chongqing) Information Technology Ltd in Chongqing China. Through our overseas subsidiaries we continue to generate opportunities by leveraging off our existing business relationships with multinational, large corporate and government organisations within each region.

The Chongqing subsidiary mainly oversees the e-Kiosks project locally.

Chongqing City e-Kiosk Project

In May 2007 Byte Power Group received relevant approvals from the Chongqing Industry and Commerce Administration Bureau and the Chongqing Foreign Trade & Economic Relation Commission to register a subsidiary, Byte Power (Chongqing) Information Technology Limited.

Byte Power (Chongqing) Information Technology manages the Chongqing City e-Kiosk project and has the ability to enter into contracts and/or agreements with government bodies, local business partners and suppliers as well as undertake the on-going management of the e-Kiosks.

e-Kiosk Located in Government Square Hechuan District

As part of the Chongqing City project Byte Power has also created additional relationships to provide immediate and longer term benefits to the Group and the e-Kiosk projects.

In April of 2007 the Group entered into an agreement with Nantian, a wholly owned subsidiary of Yunnan Nantian Electronic Information Co., Ltd to assist with the development and management of the e-Kiosk project in Chongqing City. Nantian has provided the project with a number of services including:

- A complete software platform for the e-Kiosk project which consists of:
  - Dedicated user interface
  - Payment gateway
  - Remote monitoring platform
  - Support for delivery of on-line advertising
- Detailed procurement outlines for all hardware requirements as well as introduction to potential qualified suppliers
- Assist in the communication and negotiation with third-parties such as government departments, financial associations and public utilities institutions
- Negotiating with potential suppliers
- Assist with the promotion and marketing of the project
- Provide experienced team for implementation
- Undertake training of group personnel to maintain the software.

The agreement prevents Nantian from providing the above services to any other organisation operating an e-Kiosk project within Chongqing City as well as any other city in which Byte Power secures the right to operate an e-Kiosk project.

In September 2007 the project went live with the roll-out of the first operational e-Kiosks using software and services developed with the assistance of Nantian.

In August 2007 Byte Power (Chongqing) Information Technology Limited (Byte Power CQ) and the Chongqing Branch of Xinhua, China's largest press agency, signed an agreement to provide key services to the e-Kiosk project. Xinhua is more widely known in Australia as Xinhua (New China) News Agency.

Under the agreement Byte Power is provided with:

- Direct news feed from Xinhua to the e-Kiosk data centre for distribution to the e-Kiosks
- Rights to display breaking news on the e-Kiosk LED display
- Co-Branding of the e-Kiosk news services between Byte Power and Xinhua
- Promotion of the e-Kiosk through print and electronic media

The e-Kiosks will provide a unique service to the people of Chongqing City with immediate access to breaking news. The on-line News services will complement the sales of newspapers and magazines through the e-Kiosk.

In March 2008 the company signed a memorandum of understanding with China Netcom to work on pilot sites. Under this arrangement China Netcom will manage / lease / run a number of the e-Kiosk sites directly and provide access to their products through the e-Kiosk network. It is intended that China Netcom will purchase external advertising space, on-line advertising space and time on the e-Kiosk LED screens to promote their products and services.

In January 2009 Byte Power (CQ) Info Tech Limited, a subsidiary of Byte Power Group Limited signed an exclusive five (5) year agreement with Universal Travel Group Inc. (UTG) (OTC BB: UTVG.OB) to provide *TRIPEASY* terminals and content for the Chongqing e-Kiosk project.

UTG specialises in online and customer representative services to the travel service industry offering packaged tours, air ticketing, hotel reservation and air cargo agency services. UTG offers their *TRIPEASY* terminal devices which allow customers to book travel arrangements and access entertainment guides in an easy to use and convenient manner using a dedicated public access terminal.

The *TRIPEASY* terminals will enhance the range of services available to the general population further increasing the value of the e-Kiosks offering to the area's they are located in. Development of additional capability for both the *TRIPEASY* and e-Kiosk are a key focus of the co-operation agreement. Both organisations will continue to increase the range and type of services offered. Delivery of additional services will further enhance the experience and value of the solution to the population of Chongqing.

DIRECTORS' REPORT

Your directors submit their report on Byte Power Group Limited ("the company") and the consolidated entity consisting of Byte Power Group Limited and the entities it controlled at the end of, or during, the year ended 30 June 2009.

Directors

Directors were in office for the entire period unless otherwise stated.

Information on Directors (including special responsibilities)

Director	Qualifications and experience	Special responsibilities	Interest in shares and options
Glenn Ferguson (Appointed 3 September 2007)	Glenn is a practicing solicitor and the founder of Ferguson Cannon Lawyers in 1995. Mr Ferguson is an experienced commercial litigator and over time has worked extensively with small to medium size enterprises in relation to trade and migration issues, with a particular focus on the Asian region. He has lectured throughout the Asian region on the complex nexus of immigration and trade. Mr Ferguson has been a director and Board member of several companies and foundations in the insurance, education, superannuation and charity sector. His current positions include President Elect Lawasia, Executive Member (Treasurer) Law Council of Australia, Chair, Smart Exporting Queensland, Member, Federal Attorney-General's International Legal Services Advisory Council, Director, Queensland Law Foundation, Director, LESF Superannuation Fund, Director, Lexon Insurance, Chair, College of Law Queensland and Founding Fellow of the Australian Academy of Law. Mr Ferguson is also a past President, Queensland Law Society Inc. (2003 - 2005).	Chairman Non-Executive Director Member of Remuneration Committee Member of Audit Committee	340,851 ordinary shares, Nil options
Mr Alvin Phua (Appointed 4 December 2002)	Alvin is a Singaporean-born Australian with key business and government relationships throughout Australia and around the Asian region and has a proven track record of success in the IT&T sector through his building of the Byte Power business since 1989.	CEO Executive Director Member of Remuneration Committee	22,727,273 ordinary shares, Nil options

Director	Qualifications and experience	Special responsibilities	Interest in shares and options
Raphael Tham (Appointed 7 June 2004)	Raphael is a Singaporean who has strong technology industry credentials and is an experienced business strategist. He has held senior positions and advisor with a number of companies in Asia. His skills and experience include starting new businesses, overseas expansion, and mergers and acquisitions.	Non-executive Director Chairman of Audit Committee	Nil ordinary shares, Nil options
Michael Walsh (Appointed 3 September 2007)	Michael is a qualified civil and mechanical engineer with over thirty years in manufacturing, consulting and construction. He has spent considerable time in the oil and gas industries, power generation and transportation both in private enterprise and government owned corporations. He has extensive knowledge and experience in international business and marketing in China, Singapore, Malaysia, Hong Kong, Indonesia, Thailand and the United States. Mr Walsh has been General Manager iQR for eight years and has held Senior Executive roles with several companies both in Australia and overseas. He has served on a number of industry association committees and Boards and has an extensive business network in Australia and overseas.	Non-Executive Director Chairman of Remuneration Committee Member of Audit Committee	Nil ordinary shares, Nil options

Company Secretary

Company Secretary	Qualifications and experience	Special responsibilities	Interest in shares and options
Ms Ethel Lau (Company Secretary since August 2004)	Ethel is a founding partner of the Byte Power business in 1989 and brings an extensive background in business both in Australia and Overseas. Ms Lau managed the operational and financial aspects of Byte Power Pty Ltd prior to the acquisition and has since filled the role of COO. In August of 2004 Ms Lau took on the additional role of Company Secretary for the Byte Power Group. Ms Lau's depth of knowledge and experience in managing and running an organisation is beneficial to the Group's operations. Her ability to manage a wide range of projects and deep understanding of business practices has enabled the Group to develop a number of opportunities both in and out of Australia.	Company Secretary	18,166,156 ordinary shares, Nil options

Earnings per Share

EARNINGS PER SHARE (Cents)	2009	2008
Basic earnings per share	(0.47)	(0.58)
Diluted earnings per share	(0.47)	(0.58)

Dividends

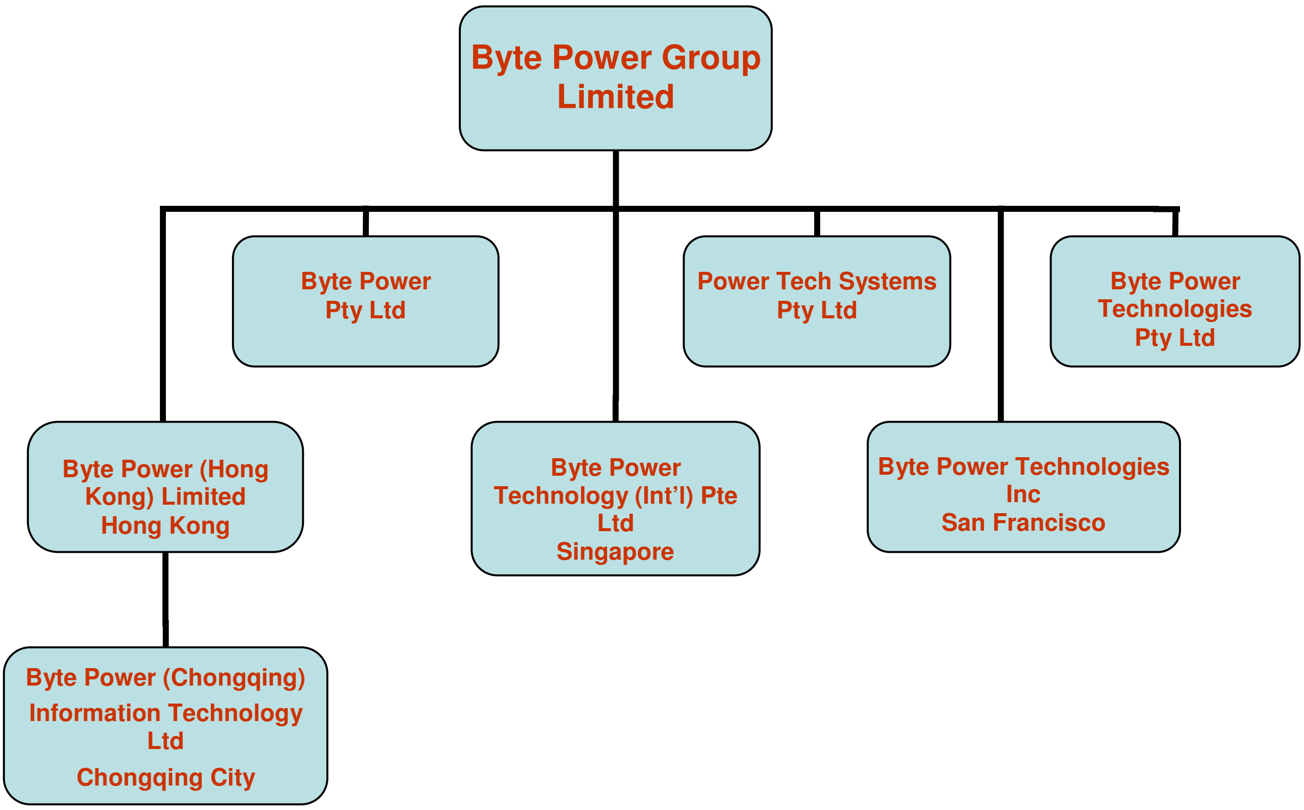
No dividends were recommended or paid during the year.

Corporate Structure

Byte Power Group Limited is a company limited by shares and is incorporated and domiciled in Australia. Byte Power Group Limited has prepared the financial report incorporating the following trading entities it controlled (100% ownership unless stated otherwise) during the financial year;

Byte Power Pty Ltd
Power Tech Systems Pty Ltd
Byte Power Technologies Pty Ltd
Byte Power Technology (Int'l) Pte Ltd
Byte Power Technologies Inc.
Byte Power (Hong Kong) Limited (83.4% ownership)

Byte Power Group Limited – Corporate Structure



Nature of Operations and Principal Activities

During the year, the principal activities within the Group were:

- service and sale of IT&T equipment and software
- importation, customisation, sales and support of software solutions
- provision of IT consultancy and services
- manufacture, assembly, import, export, service and sale of power management equipment and software
- service and sales of UPS equipment nationally
- develop and implement e-Kiosk solutions in different cities in China

There were no other significant changes in the nature of the activities of the Group during the year.

Employees

The Group employed 14 employees at 30 June 2009 (2008: 11 employees).

REVIEW AND RESULTS OF OPERATIONS

Investment Activities

The Group's investments are limited to the subsidiaries of the holding company.

Performance Indicators

Management and the Board monitor the Group's overall performance, from its implementation of the mission statement and strategic plan through to the performance against operating plans and financial budgets.

Dynamics of the Business

The primary focus of the Group within the Australian market remains the development and growth of the services business while overseas the potential for growth has been through the e-Kiosk opportunities. The Board continues to refine the structure and operations of the Group and its subsidiaries to realise additional gains through reduced overheads and operating costs. The restructured Board has assisted with the development of new opportunities in the professional services and consultancy area and continues to guide the organisation into new opportunities through their extensive experience in business both in Australia and the region.

The Technologies and Power Tech Systems subsidiaries both offer strong infrastructure solutions into a market that is increasingly focussed on reliability and disaster prevention. Business is also seeking to get the best value out of their IT assets and the experienced team at Byte Power Pty Ltd has been able to leverage on the opportunity by offering a range of IT focussed professional services to both private and government based organisations. The growth in professional services provides additional opportunities for both Byte Power Technologies and Power Tech Systems to develop new clients for their core products in remote infrastructure monitoring and power management.

The e-Kiosk project in Chongqing continues to be the major focus for the Group in China. With a growing number of operational e-Kiosks since the first was commissioned in September 2007 revenues from the project have been reported since January 2008. Overall the project has shown reasonable growth and has attracted a great deal of interest in both China and

Australia. Roll out has been steady with a number of challenges being met and overcome during the past year.

Revenue growth for the Group is yet to reach its expected potential however the broader business direction with the addition of professional services has shown significantly greater margins and if growth meets expectations the business will be able to overcome its cash flow issues.

Operating Results for the Period

Group performance has been affected by the poor global economic conditions. Previous discussions with some Australian groups for our software and IT trading business have been delayed to the new financial year. Limited working capital has affected the growth of the operation in Chongqing. As such, 2009 was a difficult year. However, with the improving global conditions, the Group is cautiously optimistic for the coming year.

Revenues from ordinary activities in the financial year ended 30 June 2009 were $832,726 compared to $1,652,237 in the financial year ended 30 June 2008 as some local projects were delayed. The net loss for the year was $1,954,327 compared to $2,072,082 in the 2007-2008 year. The EBITDA loss for the year was $1,175,197 compared with $1,260,476 in 2007-2008.

Under the tight economic conditions, the company has managed to raise $1,060,500 in the form of placements and converting loans during the year. A further $857,518 has been raised in the month of July 2009 by means of converting loans and $105,000 by a private placement. These loans will be converted to ordinary shares at 0.5 cents per share if approved by shareholders at the upcoming Annual General Meeting.

The $2,000,000 of convertible notes has been acquired by related parties of the management. The Directors anticipate that these convertible notes, and associated interest of approximately $271,000, will be converted to equity. With the conversion of these convertible notes, together with converting loans totalling $857,518 and fees owing to Directors of $180,815 being satisfied by the issue of shares, the Group's current liabilities will be significantly reduced by $3,309,333.

On the business development front, we have been actively seeking new opportunities which are strategic with the Group's activities both locally and overseas.

Comments on the Group's operations and results

Year ended 30 June 2009	2009	2008	% Up (Down) change
Revenue from ordinary activities	832,726	1,652,237	(49)%
EBITDA**	(1,175,197)	(1,260,476)	(6)%
Depreciation/Amortisation	(98,102)	(25,874)	279%
EBIT	(1,273,299)	(1,286,350)	(1)%
Finance costs	(681,028)	(785,732)	(13)%
Operating profit/(loss) before tax	(1,954,327)	(2,072,082)	(5)%
Income tax expense	-	-	-
Profit/(Loss) for the year	(1,954,327)	(2,072,082)	(5)%

** EBITDA – Earnings before interest, tax, depreciation, and amortisation.

Business Segments	2009 Revenues $	2008 Revenues $
IT&T	277,586	1,005,855
Power management	421,818	541,835
Non-segment and unallocated revenues/results	133,322	104,547
Revenue from ordinary activities	832,726	1,652,237

Review of Financial Condition

Capital Structure

During the period, 49,541,669 fully paid ordinary shares were issued through private placements raising $594,500 for working capital and to reduce outstanding debts.

Treasury policy

The Board presently does not have a separate committee to consider currency risks and finance facilities but all these functions are operated within the policies set by the Board.

Cash from Operations

Net cash flow from operating activities for the year deteriorated by $286,543 over the prior year. This reflects the change in operations with a focus on services rather than traditional hardware sales as well as the investments in new business in China.

Risk Management

The Board is proactively identifying risks involved in the Group's current activities and reviews each of the new opportunities from a risk management perspective. There are a number of processes used by the Board to align the risks and opportunities of the Group.

Significant Changes in the State of Affairs

Group consolidated revenues decreased by $819,511 from the 2008 financial year.

Significant Events after Balance Date

Subsequent to balance date the company received funding in the amount of $962,518 by means of short term converting loans and private placement of shares. The loans totalling $857,518 are convertible to ordinary shares at 0.5 cents per share.

No other matter or circumstance have arisen since the end of the financial year that has significantly affected, or may affect, the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years.

Likely Developments and Expected Results

The Group anticipates further growth in the IT consultancy and professional services being offered and expects that these will lead to additional revenue opportunities. A key focus is on the government market where additional opportunities are expected in the near future.

The e-Kiosk project, Power Tech Systems and Technologies subsidiaries are all expected to provide revenue growth over the coming period.

Environmental Regulation and Performance

The company is not aware of any breaches of environmental regulations in respect of its activities.

Share Options

There were no listed and unlisted options as at 30 June 2009.

Shares issued as a result of the exercise of options

During the financial year no options were exercised.

Indemnification and Insurance of Directors and Officers

During or since the financial year, the company has paid premiums in respect of a contract insuring all of the directors of Byte Power Group Limited against costs incurred in defending proceedings for conduct involving:

a) a wilful breach of duty; or
b) a contravention of sections 182 or 183 of the Corporations Act 2001

as permitted by section 199B of the Corporations Act 2001.
The total value of insurance premiums paid was $50,393.

The company indemnifies all the directors and executive officers for any breach of environmental or discrimination laws by the company, for which they may be held personally liable. The agreement provides for the company to pay an amount not exceeding US$150,000 (USA & Canada) and $25,000 (other locations) where:

a) the liability does not arise out of conduct involving a lack of good faith; or
b) the liability is for cost and expenses incurred by the director or officer in defending proceedings in which judgement is given in their favour or in which they are acquitted.

REMUNERATION REPORT

Directors' and other Officers' Remuneration

Remuneration policy

The Remuneration Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the directors, the chief executive officer and the executive team to ensure maximum shareholder returns through the retention of high quality Board and executive team members.

Remuneration is structured to give optimal benefit to the recipient without creating undue costs to the company.

The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage/alignment of executive compensation
- transparency
- capital management

In consultation with external remuneration consultants, the company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Both non-executive and executive directors fees reflect the demands which are made on, and the responsibilities of, the directors. These fees are reviewed annually and are inclusive of committee fees.

Details of Remuneration of Key Management Personnel

Details of the nature and amount of each element of the emolument, of each director of Byte Power and each of the other key management personnel for the financial year are as follows:

Directors of Byte Power Group Limited

2009	**Short Term Benefits**			**Post Employment Benefits**		**Share Based Payments**	**Other**	**Total**
	Salary & Fees $	Cash Bonus $	Non-Monetary $	Super-annuation $	Retirement Benefits $	Options $	$	$
Glenn Ferguson	35,000	-	-	3,150	-	-	-	38,150
Alvin Phua (Executive)	25,000	-	-	2,250	-	-	-	27,250
Raphael Tham	25,000	-	-	2,250	-	-	-	27,250
Michael Walsh	25,000	-	-	2,250	-	-	-	27,250
	110,000	**-**	**-**	**9,900**	**-**	**-**	**-**	**119,900**

2008	Short Term Benefits			Post Employment Benefits		Share Based Payments	Other	Total
	Salary & Fees $	Cash Bonus $	Non-Monetary $	Super-annuation $	Retirement Benefits $	Options $	$	$
Glenn Ferguson	35,000	-	-	3,150	-	-	-	38,150
Alvin Phua (Executive)	25,000	-	-	2,250	-	-	-	27,250
Raphael Tham	25,000	-	-	-	-	-	-	25,000
Michael Walsh	25,000	-	-	2,250	-	-	-	27,250
Peter Low ^	4,167	-	-	375	-	-	-	4,542
	114,167	**-**	**-**	**8,025**	**-**	**-**	**-**	**122,192**

^ director or executive for only part of the year.

Executives of Byte Power Group Limited

2009	Short Term Benefits			Post Employment Benefits		Share Based Payments	Other	Total
	Salary & Fees $	Cash Bonus $	Non-Monetary $	Super-annuation $	Retirement Benefits $	Options $	$	$
Alvin Phua (separate to above)	226,835	10,000	34,800	20,415	-	-	-	292,050
Ethel Lau	137,615	20,000	-	12,385	-	-	-	170,000
	364,450	**30,000**	**34,800**	**32,800**	**-**	**-**	**-**	**462,050**

2008	Short Term Benefits			Post Employment Benefits		Share Based Payments	Other	Total
	Salary & Fees $	Cash Bonus $	Non-Monetary $	Super-annuation $	Retirement Benefits $	Options $	$	$
Alvin Phua (separate to above)	201,835	10,000	-	18,165	-	-	-	230,000
Ethel Lau	137,615	20,000	-	12,385	-	-	-	170,000
	339,450	**30,000**	**-**	**30,550**	**-**	**-**	**-**	**400,000**

* the elements of emoluments have been determined on the basis of the cost to the company and the consolidated entity.

* Executives are those directly accountable and responsible for the operational management and strategic direction of the company and the consolidated entity.

Directors' Meetings

The number of meetings of the company's Board of directors held (including meetings of committees of directors) during the year ended 30 June 2009 and the numbers of meetings attended by each director were:

	Directors' meeting		Audit committee		Remuneration committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Glen Ferguson	13	11	2	2	2	2
Alvin Phua	13	13	-	-	2	2
Raphael Tham	13	12	2	2	-	-
Michael Walsh	13	13	2	2	2	2

Committee Membership

As at the date of this report, the company had an Audit Committee and a Remuneration Committee.

Audit Committee	*Remuneration Committee*
Raphael Tham (Chairman)	Michael Walsh (Chairman)
Glenn Ferguson	Glenn Ferguson
Michael Walsh	Alvin Phua

Auditor

Subsequent to the company's incumbent auditor's, Pitcher Partners, decision to cease to provide audit services, the Directors have appointed Hacketts DFK to fill a casual vacancy resulting from the former audit partners' resignations. Hacketts DFK replaced Pitcher Partners as auditor of the company on 9 February 2009. The appointment of the company's auditor will be subject to shareholder approval at the next Annual General Meeting.

There are no former partners or directors of the company's auditor, or former auditor, who is or was at any time during the year an officer of the company.

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company are important.

Details of amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The Board of directors has considered the position and, in accordance with the advice received from the Audit Committee is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

During the year the following fees were payable for services provided by the auditor of the company:

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009 **$**	2008 $	**2009** **$**	2008 $
Audit and review of financial reports				
- Hacketts DFK	55,600	-	60,600	-
- Pitcher Partners	-	63,160	-	63,160
	55,600	63,160	60,600	63,160
Other assurance services				
- Hacketts DFK	5,000	-	5,000	-
- Pitcher Partners	5,000	-	5,000	-
	10,000	-	10,000	-
Non assurance services – other compliance and advisory services				
- Hacketts DFK	-	-	-	-
- Pitcher Partners	-	-	-	-
	-	-	-	-

Auditor Independence

A copy of the auditors' independence declaration as required under 307C of the Corporations Act 2001 is set out on next page 22.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Byte Power Group Limited support and have adhered to the principles of corporate governance. The company's corporate governance statement is contained in the following section of the Annual Report.

Signed in accordance with a resolution of the directors.

Alvin Phua
Director

Brisbane, 30 September 2009

Hacketts DFK

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549 QUEEN STREET
BRISBANE QLD 4000

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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF BYTE POWER GROUP LIMITED

In relation to our audit of the financial report of Byte Power Group Limited for the year ended 30 June 2009, I declare that, to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit, and
(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Hacketts

Hacketts DFK

S J Lindemann
Partner

Brisbane, 30 September 2009

Liability limited by a scheme approved under Professional Standards Legislation

AUDIT & ASSURANCE

HACKETTS DFK
ABN « 33 873 151 348

CORPORATE GOVERNANCE

Corporate Governance Statement

The Board of directors of Byte Power Group Limited ("the Company") is responsible for the corporate governance of the consolidated entity. The Board guides and monitors the business and affairs of Byte Power Group Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

Byte Power Group Limited's Corporate Governance Statement is now structured with reference to the Australian Securities Exchange ("ASX") Corporate Governance Council's (the "Council") "Principles of Good Corporate Governance and Best Practice Recommendations" ("Corporate Governance Council Recommendations") which can be found on the ASX's website at www.asx.com.au.

Given the size and structure of the Company, the nature of its business activities, the stage of its development and the cost of strict and detailed compliance with all of the recommendations, it has adopted a range of modified systems, procedures and practices which it considers will enable it to meet the principles of good corporate governance.

The following section addresses Byte Power Group Limited's practices in complying with the Corporate Governance Council Recommendations:

Structure of the Board

The Board exists to lead and oversee the management and direction of the Company. The skills, experience and expertise relevant to the position of director held by each director in office at the date of the Annual Report for the financial year ended 30 June 2009 ("Annual Report") is included in the Directors' Report of the Annual Report.

Corporate Governance Council Recommendation 2.1 requires a majority of the board to be independent directors.

An independent director is a non-executive director and:

(a) is not a substantial shareholder of the company or an officer of, or otherwise associated directly with, a substantial shareholder of the company;
(b) within the last three years has not been employed in an executive capacity by the company or another group member, or been a director after ceasing to hold any such employment;
(c) within the last three years has not been a principal of a material professional adviser or a material consultant to the company, another group member, or an employee materially associated with the service provided;
(d) is not a material supplier or customer of the company or other group, member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;
(e) has no material contractual relationship with the company or another group member other than as a director of the company;
(f) has not served on the board for a period which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company; and
(g) is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the company.

In accordance with the Council's definition of independence above, the following directors are considered to be independent at the date of this report:

Mr Glenn Ferguson
Mr Raphael Tham
Mr Michael Walsh

Corporate Governance Council Recommendation 2.2 requires the Chairman of the Company to be an independent director. Further, Corporate Governance Council Recommendation 2.3 states that the roles of chairperson and chief executive officer should not be exercised by the same individual. On 3 September 2007, Mr Alvin Phua retired as Chairman of the Board and Mr Glenn Ferguson has taken over the position of non-executive Chairman of the Board. Mr Phua retains his position as Group CEO.

Byte Power Group Limited does not have a nomination committee as required by Corporate Governance Council Recommendation 2.4. Membership of the Board is reviewed on an on-going basis by the Board to determine if additional core strengths are required to be added to the Board in light of the nature of the Company's business and its objectives.

Directors, officers, employees and consultants to the Company are required to observe high standards of behaviour and business ethics in conducting business on behalf of the Company and they are required to maintain a reputation of integrity on the part of both the Company and themselves. Notwithstanding Corporate Governance Council Recommendation 3.1, Byte Power Group Limited has not established a code of conduct to guide the directors, the Chief Executive Officer and any other key executives as to:

3.1.1 the practices necessary to maintain confidence in the company's integrity; and
3.1.2 the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

Corporate Governance Council Recommendation 3.2 requires the Company to disclose the policy concerning trading in Company securities. No such policy has been established by the Company, however, directors are required to make disclosure of any share trading. The company policy in relation to share trading is that officers are prohibited to trade whilst in possession of unpublished price sensitive information concerning the Company, that is, information which a reasonable person would expect to have a material affect on the price or value of the company's shares.

Safeguarding Integrity in Financial Reporting, Audit Committees and Risk Management

The Board has established an Audit Committee, which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control, ethical standards for the management of the consolidated entity, nomination of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory and half yearly review or audit to the Audit Committee.

The members of the Audit Committee were, at the date of the Annual Report, Mr Raphael Tham (non-executive director), Chairman; Mr Glenn Ferguson (non-executive director) and Mr Michael Walsh (non-executive director).

Encouraging Enhanced Performance and Remuneration Committee

The Board regularly discusses and reviews its performance. The Board also discusses with each director their requirements, performances and aspects of involvement with the Company. The Board is responsible for determining and reviewing the compensation arrangements for directors themselves, the Chief Executive Officer and the management team. The members of the remuneration committee were, at the date of the Annual Report, Mr Michael Walsh (non-executive director), Chairman; Mr Alvin Phua (executive director) and Mr Glenn Ferguson (non-executive director).

Departures from Corporate Governance Council Recommendations

Any departures to the Corporate Governance Council Recommendations are set out below:

Corporate Governance Council Recommendation	Departure	Explanation
2.4	A separate nomination committee has not been formed.	The role of the nomination committee is carried out by the full Board. The Board considers that given its size, no efficiencies or other benefits would be gained by establishing a separate nominations committee.
3.1	No formal code of conduct has been established as to practices necessary to maintain confidence in the Company's integrity or as to reporting and investigating unethical practices.	The Board and management consist of appropriately qualified and experienced members. It is not considered that a code of conduct or reporting guide is yet necessary as the principles are followed.
3.2	No formal policy concerning trading in the Company securities by directors, officers or employees has been disclosed.	Although there was no written policy disclosed, there is a clear understanding as to when trading is inappropriate. The Board and management are conscious of their obligations under the Corporations Act 2001 and accordingly they do not trade in the Company securities before any significant announcements.
5.1	There are no written policies and procedures designed to ensure compliance with the ASX Listing Rules disclosure requirements.	Although there are no written policies in place, the responsibility for compliance with the ASX Listing Rules is handled by the Board. The Board considers that the Company meets the requirements. The Board uses the ASX listing manual with respect to the disclosure requirements as the guiding principle and the Board meets to decide when an event occurs.
6.1	The Company has no formal communication strategy in place for the benefit of its shareholders.	The Board is conscious of the need to continually keep shareholders and the market advised. Accordingly, the Board makes timely announcements which ensure that shareholders and the markets are adequately informed about its activities. All announcements are also posted on our website www.bytepowergroup.com which is accessible by the public.

Corporate Governance Council Recommendation	Departure	Explanation
7.1 and 7.2	There has been no written implementation of policy on risk oversight and management or for senior management to make statements to the Board concerning those matters.	Given the nature and size of the Company, its business interests and the involvement of all directors, it is considered unnecessary to establish this practice at this time; however the principles are adopted in circumstances where an event or issue is deemed to require it.
8.1	There has been no formal disclosure of the performance evaluation of the Board, committees, individual directors and key executives. No formal review has been undertaken.	Given the size of the Company and the involvement of all directors, a policy has not been required to date, however, the Board will continually monitor, review and discuss performance and implement changes where necessary.
9.4	Ensure that payment of equity based executive remuneration is based in accordance with thresholds set in plans approved by shareholders.	There are currently no equity-based remuneration plans in place.
10.1	There has been no disclosure of a code of conduct to address compliance for legal or other obligations to legitimate stakeholders.	The business practices adopted by the Board recognize this principle but no formal code has been adopted or approved.

INCOME STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
Revenues from continuing activities	2	**832,726**	1,652,237	**3,983**	64,767
Changes in inventories of finished goods and work in progress		**(95,772)**	(26,710)	**-**	-
Raw materials and consumables used		**(155,012)**	(822,378)	**-**	-
Depreciation and amortisation expense	3	**(98,102)**	(25,874)	**(8,603)**	(9,005)
Finance costs	3	**(681,028)**	(785,732)	**(624,925)**	(767,294)
Salaries and employee benefits expense		**(864,629)**	(966,784)	**(528,379)**	(562,131)
Directors' remuneration fees		**(132,922)**	(150,419)	**(132,922)**	(150,419)
Rent and outgoings		**(178,395)**	(226,349)	**(52,910)**	(41,758)
Travel, accommodation and entertainment		**(177,107)**	(294,049)	**(113,197)**	(252,156)
Consultants/professional fees		**(181,643)**	(151,653)	**(59,060)**	(57,459)
Other expenses	3	**(222,443)**	(274,371)	**(134,894)**	(210,272)
Loss before income tax		**(1,954,327)**	(2,072,082)	**(1,650,907)**	(1,985,727)
Income tax expense	4	**-**	-	**-**	-
Loss for the year	20	**(1,954,327)**	(2,072,082)	**(1,650,907)**	(1,985,727)

	Notes	Cents per share 2009	Cents per share 2008
Basic earnings per share	29	**(0.47)**	(0.58)
Diluted earnings per share	29	**(0.47)**	(0.58)

The above Income Statements should be read in conjunction with the accompanying notes.

BALANCE SHEETS
AS AT 30 JUNE 2009

	Notes	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
Current Assets					
Cash and cash equivalents		**15,905**	240,163	**7,819**	93,333
Receivables	5	**164,107**	123,975	**-**	-
Inventories	6	**141,254**	237,026	**-**	-
Other	7	**33,556**	23,076	**30,800**	-
Total Current Assets		**354,822**	624,240	**38,619**	93,333
Non-current Assets					
Receivables	8	**-**	-	**-**	-
Other financial assets	9	**-**	-	**-**	-
Plant and equipment	11	**922,380**	985,655	**16,970**	24,986
Other	12	**15,186**	24,547	**13,464**	22,824
Total Non-current Assets		**937,566**	1,010,202	**30,434**	47,810
Total Assets		**1,292,388**	1,634,442	**69,053**	141,143
Current Liabilities					
Payables	13	**3,280,391**	2,467,243	**2,154,832**	1,265,038
Interest bearing liabilities	14	**478,938**	74,623	**466,000**	49,630
Provisions	15	**154,514**	151,654	**131,543**	105,342
Convertible notes	16	**2,000,000**	2,000,000	**2,000,000**	2,000,000
Total Current Liabilities		**5,913,843**	4,693,520	**4,752,375**	3,420,010
Non-current Liabilities					
Interest bearing liabilities	17	**1,994,014**	2,156,364	**6,224,662**	6,532,510
Long term liabilities	18	**67,500**	67,500	**67,500**	67,500
Total Non-current Liabilities		**2,061,514**	2,223,864	**6,292,162**	6,600,010
Total Liabilities		**7,975,357**	6,917,384	**11,044,537**	10,020,020
Net Assets / (Liabilities)		**(6,682,969)**	(5,282,942)	**(10,975,484)**	(9,878,877)
Equity					
Contributed equity	19	**46,289,125**	45,734,825	**46,289,125**	45,734,825
Accumulated losses	20	**(52,972,094)**	(51,017,767)	**(57,264,609)**	(55,613,702)
Total Equity		**(6,682,969)**	(5,282,942)	**(10,975,484)**	(9,878,877)

The above Balance Sheets should be read in conjunction with the accompanying notes.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
Total equity at the beginning of the financial year		**(5,282,942)**	(5,010,630)	**(9,878,877)**	(9,692,920)
Loss for the year		**(1,954,327)**	(2,072,082)	**(1,650,907)**	(1,985,727)
Transactions with equity holders in their capacity as equity holders:					
Issue of share capital	19 (b)	**594,500**	1,815,000	**594,500**	1,815,000
Cost of Issue	19 (b)	**(40,200)**	(15,230)	**(40,200)**	(15,230)
Contributions of equity, net of transaction costs		**554,300**	1,799,770	**554,300**	1,799,770
Total equity at the end of the financial year		**(6,682,969)**	(5,282,942)	**(10,975,484)**	(9,878,877)

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

	Notes	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
		Inflows/(Outflows)		Inflows/(Outflows)	
Cash Flows from Operating Activities					
Receipts from customers		**885,121**	1,793,547	**71,239**	125,406
Payments to suppliers and employees		**(1,788,634)**	(2,052,398)	**(783,631)**	(1,231,913)
Interest and other costs of finance paid		**(80,386)**	(443,347)	**(24,925)**	(424,909)
Interest received		**3,473**	8,315	**3,983**	8,020
Net cash flows from operating activities	21(a)	**(980,426)**	(693,883)	**(733,334)**	(1,523,396)
Cash Flows from Investing Activities					
Payment for property, plant and equipment		**(34,828)**	(418,646)	**-**	(3,935)
Proceeds from sale of property plant & equipment		**-**	15,800	**-**	-
Net cash flows from investing activities		**(34,828)**	(402,846)	**-**	(3,935)
Cash Flows from Financing Activities					
Proceeds from issues of securities (shares, option etc.)		**594,500**	1,025,400	**594,500**	1,025,400
Share issue costs		**(40,200)**	(15,230)	**(40,200)**	(15,230)
Proceeds from (loans to) related party		**-**	(47,674)	**(145,500)**	312,896
Payments for lease liabilities		**(16,954)**	(16,423)	**-**	-
Proceeds from (repayment of) other loans		**253,650**	286,980	**239,020**	226,979
Net cash flows from financing activities		**790,996**	1,233,053	**647,820**	1,550,045
Net Increase/(Decrease) in cash held		**(224,258)**	136,324	**(85,514)**	22,714
Cash at the beginning of the financial year		**240,163**	103,839	**93,333**	70,619
Cash at the end of the financial year	21(b)	**15,905**	240,163	**7,819**	93,333

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 30 JUNE 2009

1. Summary of Significant Accounting Policies

The principle accounting policies adopted in the preparation of the financial report are set out below.

These policies have been consistently applied to all the years presented unless otherwise stated.

The financial report includes separate financial statements for Byte Power Group Limited as an individual entity and the Group consisting of Byte Power Group Limited and its controlled entities.

The financial report is presented in Australian dollars which is the company's and Group's functional and presentation currency.

(a) Basis of Accounting

This general purpose financial report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Australian Accounting Interpretations and the Corporations Act 2001.

Compliance with IFRSs

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with AIFRSs ensures that the financial statements and notes of Byte Power Group Limited comply with International Financial Reporting Standards (IFRSs).

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit and loss, and certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Other than consideration of the going concern basis of preparation of the financial statements, there are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

Going Concern

This financial 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 company and the Group have incurred a loss from continuing operations after tax of $1,650,907 (2008: $1,985,727) and $1,954,327 (2008: $2,072,082), respectively, for the financial year ended 30 June 2009. The company and the Group were also in a net current liability position of $4,713,756 (2008: $3,326,677) and $5,559,021 (2008: $4,069,280) respectively, as at 30 June 2009. There are also significant non-current liabilities.

Given the net current liability positions, the ability of the company and the Group to continue as going concerns, including the ability of the company to pay its debts as and when they fall due needs to be considered. The continuation of the company and the Group as going concerns is dependent upon their abilities to achieve the following:

- The continued support of major creditors;
- Obtaining an overdraft or working capital facility in the short term to assist the Group to continue to pay its' debts on a timely basis;
- Obtaining additional equity in the form of capital raising or longer term debt to enable the Group to fund working cash flow requirements; and
- The generation of future profits by the major underlying businesses.

It is on the basis of the company's and the Group'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 whether the company and Group will continue as going concerns and, therefore, whether they will realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial statements. The financial 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 company and the Group not continue as going concerns.

(b) Principles of Consolidation

The consolidated financial statements are those of the consolidated entity, comprising Byte Power Group Limited (the parent company) and all the entities which Byte Power Group Limited controlled from time to time during the year and at balance date.

Information from the financial statements of subsidiaries is included from the date the parent company obtains control until such time as control ceases. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the parent company has control.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies which may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated in full.

(c) Income Tax

Income tax expense comprises the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities.

A balance sheet approach is adopted under which deferred tax assets and liabilities are recognised for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred tax asset or liability is recognised in relation to temporary differences arising from the initial recognition of as asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for temporary differences and unused tax losses only when it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on the purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

Cash flows are included in the Cash Flow Statement on the gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(e) Foreign Currency

Translation of foreign currency transactions
Foreign currency transactions during the year are initially converted to Australian currency at the rate of exchange applicable at the dates of the transactions. At balance date amounts payable or receivable in foreign currencies are translated to Australian currency at rates of exchange current at that date. Resulting exchange differences are brought to account in determining the profit or loss for the year.

Translation of financial reports of overseas operations
All overseas operations are fully integrated. The financial reports of overseas operations are translated using the current rate method and any exchange differences are taken directly to the Income Statement.

(f) Revenue Recognition

Revenue is recognised to the extent that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Sale of goods
Revenue is recognised when the goods have been dispatched or has been provided to a customer pursuant to a sales order and the associated risks have passed to the carrier or customer.

(ii) Sale of services
Maintenance revenue represents non-refundable maintenance fees earned.

(iii) Interest
Control of the right to receive the interest payment.

(g) Receivables

All trade debtors are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectibility of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised where collection of the amount is no longer probable.

(h) Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are determined on a first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated cost necessary to make the sale.

(i) Impairment

Assets with an indefinite useful life are not amortised but are tested annually for impairment or whenever there is an indication of impairment. Assets subject to annual depreciation or amortisation are reviewed for impairment whenever events or circumstances arise that indicate that the carrying amount of the asset may be impaired. An impairment loss is recognised where the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of an asset is defined as the higher of its fair value less costs to sell and value in use.

(j) Investments

All non-current investments are carried at the lower of cost and recoverable amount.

(k) Plant and Equipment and Depreciation

Plant and equipment is stated at cost. Depreciation is calculated on a straight line basis on all plant and equipment. The expected useful lives are as follows:

Plant and equipment	3 to 5 years
Motor vehicles	4 to 5 years
Office furniture and equipment	3 to 8 years

(l) Leasehold Improvements

The cost of improvements to or on leasehold properties is amortised over the unexpired period of the lease or the estimated useful life of the improvement to the consolidated entity, whichever is the shorter. Leasehold improvements held at the reporting date are being amortised over 1 to 2 years.

(m) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating leases
The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis.

The lease incentive liability in relation to the non-cancellable operating lease is being reduced on an imputed interest basis over the lease term (5 years) at the rate implicit in the lease.

Finance leases
Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Group are capitalised at the present value of the minimum lease payments and disclosed as property, plant and equipment under lease. A lease liability of equal value is also recognised.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and charged directly to the Income Statement.

The cost of improvements to or on leasehold property is capitalised, disclosed as leasehold improvements, and amortised over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is the shorter.

(n) Intangibles Assets and Expenditure Carried Forward

Goodwill
Goodwill represents the excess of the purchase consideration over the fair value of identifiable net assets acquired at the time of acquisition of a business or shares in a controlled entity. Goodwill is tested for impairment in accordance with Note 1(i).

(o) Payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods received, whether or not billed to the consolidated entity.

Payables to related parties are carried at the principal amount. Interest, when charged by the lender is recognised as an expense on an accrual basis.

(p) Interest - Bearing Liabilities

Loans are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest, where applicable, is accrued over the period it becomes due and is recorded as part of creditors.

(q) Provisions

Provisions are recognised when the economic activity has a legal, equitable or contractual obligation to make a future sacrifice of economic benefits to other entities as a result of past transactions or other past events, it is probable that a future sacrifice of economic benefits will be required and a reliable estimate can be made of the amount of the obligation.

(r) Employee benefits

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and any other employee benefits expected to be settled within twelve months of the reporting date are measured at their nominal amounts, based on remuneration rates which are expected to be paid when the liability is settled.

Employee benefits expenses and revenues arising in respect of the following categories:

- wages and salaries, non-monetary benefits, annual leave, long service leave, sick leave and other leave benefits; and
- other types of employee benefits are charged against profits on a net basis in their respective categories.

In respect of the Group, any contributions made to externally managed superannuation funds by entities within the Group are charged against profits when due.

(s) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at the lower of cost and net realisable value.

For the purposes of the Cash Flow Statement, cash includes cash on hand and in banks, and money market investments readily convertible to cash within 2 working days, net of outstanding bank overdrafts.

Bank overdrafts are carried at the principle amount. Interest is charged as an expense as it accrues.

(t) Contributed Equity

Issued and paid up capital is recognised at fair value of the consideration received by the company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity or as a reduction of the share proceeds received.

(u) Earnings per Share (EPS)

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.
Diluted EPS is calculated as net profit attributable to members, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(v) New Accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2009 reporting periods. The Group's and the parent entity's assessment of the impact of these new standards and interpretations is set out below.

(i) AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8

AASB 8 and AASB 2007-3 are effective for annual reporting periods commencing on or after 1 January 2009. AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a management approach to reporting on financial performance. Information being reported will be based on what the key decision makers use internally for evaluating segment performance and deciding how to allocate resources to operating segments. The Company has not yet decided when to adopted AASB 8. Application of AASB 8 may result in different segments, segment results and different types of information being reported in the segment note of the financial report. However, at this stage, it is not expected to affect any of the amounts recognised in the financial statements.

(ii) Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]

The revised AASB 123 is applicable to annual reporting periods commencing on or after 1 January 2009. It has removed the option to expense all borrowing costs and – when adopted – will require the capitalization of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Company or consolidated entity.

(iii) Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101

A revised AASB 101 was issued in September 2007 and is applicable for annual reporting periods beginning on or after 1 January 2009. It requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made a prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The company intends to apply the revised standard from 1 July 2009.

(iv) AASB 2008-1 Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations (effective from 1 January 2009)

AASB 2008-1 clarifies that vesting conditions are service conditions and performance conditions only and that other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group will apply the revised standard from 1 July 2009, but it is not expected to affect the accounting for the Group's share-based payments.

(v) AASB 2009-2 Amendments to Australian Accounting Standards - Improving Disclosures about Financial Instruments (effective for annual periods beginning on or after 1 January 2009)

In April 2009, the AASB published amendments to AASB 7 *Financial Instruments: Disclosure* to improve the information that entities report about their liquidity risk and the fair value of their financial instruments. The amendments require fair value measurement disclosures to be classified into a new three-level hierarchy and additional disclosures for items whose fair value is determined by valuation techniques rather than observable market values. The AASB also clarified and enhanced the existing requirements for the disclosure of liquidity risk of derivatives. The Group will apply the amendments from 1 July 2009. They will not affect any of the amounts recognised in the financial statements.

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$

2. *Revenue From Continuing Activities*

Revenues from operating activities				
Revenue from sale of goods	**415,111**	1,046,721	-	**-**
Revenue from services	**395,279**	544,845	-	**-**
	810,390	1,591,566	-	**-**
Revenues from non-operating activities				
Other revenue	**1,762**	63,674	**507**	**56,747**
Foreign currency gain / (losses)	**17,101**	(11,318)	**-**	**-**
Interest income from non-related parties	**3,473**	8,315	**3,476**	**8,020**
	22,336	60,671	**3,983**	**64,767**
Total revenues from continuing activities	**832,726**	1,652,237	**3,983**	**64,767**

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $

3. *Expenses And Losses / (Gains)*

(a) Expenses

	2009 $	2008 $	2009 $	2008 $
Depreciation of non-current assets				
- Plant and equipment	**78,847**	10,083	**806**	**202**
- Furniture and fittings	**17,989**	14,208	**6,531**	**7,220**
- Plant and equipment under lease	**758**	947	**758**	**947**
- Leasehold improvements	**508**	636	**508**	**636**
Total depreciation expenses	**98,102**	25,874	**8,603**	**9,005**
Finance costs				
- Interest expense – finance leases	**3,470**	5,379	**2,630**	4,450
- Interest expense – director related entity	**250,954**	286,445	**250,954**	286,445
- Other borrowing costs	**426,604**	493,908	**371,341**	476,399
Total finance costs	**681,028**	785,732	**624,925**	767,294
Bad and doubtful debts – trade debtors	**-**	1,297	**-**	-
Net foreign currency gain / (losses)	**17,101**	(11,318)	**-**	-
Net (gain)/loss on disposal of plant and equipment	**8,060**	51,476	**4,040**	-
Operating lease rental	**135,062**	190,019	**36,353**	41,417
Movement in provision for employee entitlements	**2,860**	44,820	**26,201**	(40,235)
Other expenses				
- Telephone	**56,316**	70,077	**34,672**	40,148
- Fees, duties and charges	**60,601**	44,676	**48,726**	43,848
- Other	**105,526**	159,618	**51,496**	126,276
Total other expenses	**222,443**	274,371	**134,894**	210,272

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $

4. Income Tax Expense

The prima facie tax, on operating loss differs from the income tax provided in the financial statements as follows:				
Loss for the year	**(1,954,327)**	(2,072,082)	**(1,650,907)**	(1,985,727)
Prima facie tax on loss from continuing operations at 30% (2008: 30%)	**(586,298)**	(621,625)	**(495,272)**	(595,718)
Tax effect of losses of current period not brought to account	**586,298**	621,625	**495,272**	595,718
Income tax expense / (benefit)	**-**	-	**-**	-
Deferred tax assets arising from tax losses not brought to account at balance date as realisation of the benefit is not regarded as probable.	**6,364,000**	5,778,000	**3,767,000**	3,272,000

A deferred tax asset relating to available income tax losses will only be recognised if:

a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
b) the conditions for deductibility imposed by tax legislation continue to be complied with; and
c) no changes in tax legislation adversely affect the consolidated entity in realising the benefit.

Byte Power Group Limited and its wholly owned Australian controlled entities have decided to implement the tax consolidation legislation as of 27 November 2002. The Australian Taxation Office has been notified of this decision.

The entities have also entered into a tax sharing arrangement. Under the terms of this agreement, the income tax liabilities are allocated between the entities should the head entity default on its tax obligations. In the opinion of the directors, the tax sharing agreement is also a valid agreement under the tax consolidation legislation and limits the joint and several liability of the wholly-owned entities in the case of a default by Byte Power Group Limited

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $

5. Current Assets - Receivables

Trade debtors	**164,107**	123,975	**-**	-

Trade debtors past due the terms of their credit arrangements are not considered to be impaired.

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$

6. *Current Assets - Inventories*

Finished goods – at cost	**141,254**	237,026	**-**	-

7. *Current Assets - Other*

Prepayments	**33,556**	23,076	**30,800**	-

8. *Non-Current Assets - Receivables*

Related party receivables				
Wholly owned group - controlled entities	**-**	-	**12,148,000**	12,148,000
Provision for diminution in value	**-**	-	**(12,148,000)**	(12,148,000)
	-	-	**-**	**-**

Terms and conditions of related party receivables are set out in note 27

9. *Non-Current Assets – Other Financial Assets*

Investments at cost comprise:				
Shares in unlisted controlled entities - at cost	**-**	-	**26,663,319**	26,663,319
Less: provision for diminution of unlisted shares	**-**	-	**(26,663,319)**	(26,663,319)
	-	-	**-**	-

There would be no capital gains tax payable if these assets were sold at market value at the reporting date.

10. Interests In Controlled Entities

Name of Entity	Country of incorporation	Class of Shares	Equity holdings		Cost of Parent Entity's Investment	
			2009 %	2008 %	**2009 $**	2008 $
Byte Power Pty Ltd *	Australia	Ordinary	100	100	**20,582,686**	20,582,686
A.C.N. 083 777 333 Pty Ltd (formerly Able Air Mechanical Services Pty Ltd)*	Australia	Ordinary	100	100	**-**	-
Power Tech Systems Pty Ltd*	Australia	Ordinary	100	100	**1,789,142**	1,789,142
Byte Power Technologies Pty Ltd*	Australia	Ordinary	100	100	**2,282,752**	2,282,752
Willhart Pty Ltd*	Australia	Ordinary	100	100	**-**	-
Byte Power Technologies Inc^	USA	Ordinary	100	100	**-**	-
Byte Power Technology (I'ntl) Pte Ltd*	Singapore	Ordinary	100	100	**-**	-
Willhart Facility Solutions Pty Ltd*	Australia	Ordinary	100	100	**2,008,739**	2,008,739
Byte Power (Hong Kong) Ltd	Hong Kong	Ordinary	83.4	83.4	**-**	-
Byte Power (Chongqing) Information Technology Ltd	China	Ordinary	83.4	83.4	**-**	-
					26,663,319	26,663,319

* these companies are classified as small proprietary companies under the Corporations Act 2001 and therefore are not required to prepare or lodge accounts.

^ these companies are incorporated overseas and do not have a requirement to prepare accounts or have them audited.

11. *Non-Current Assets - Plant and Equipment*

	CONSOLIDATED 2009 $	2008 $	BYTE POWER GROUP LIMITED 2009 $	2008 $
Plant and equipment:				
At cost	**1,043,735**	1,021,736	**-**	2,464
Less: Accumulated depreciation	**(165,542)**	(88,247)	**-**	(1,658)
	878,193	933,489	**-**	806
Office furniture and equipment:				
At cost	**272,454**	336,790	**75,989**	99,932
Less: Accumulated depreciation	**(233,333)**	(290,956)	**(64,085)**	(82,084)
	39,121	45,834	**11,904**	17,848
Leased assets:				
At cost	**36,500**	36,500	**36,500**	36,500
Less: Accumulated amortisation	**(33,469)**	(32,711)	**(33,469)**	(32,711)
	3,031	3,789	**3,031**	3,789
Leasehold improvements:				
At cost	**7,306**	7,306	**7,306**	7,306
Less: Accumulated amortisation	**(5,271)**	(4,763)	**(5,271)**	(4,763)
	2,035	2,543	**2,035**	2,543
Total plant and equipment	**922,380**	985,655	**16,970**	24,986

(a) Assets pledged as security

Assets under lease are pledged as security for the associated lease liabilities.

The value of assets pledged as securities are:

	CONSOLIDATED 2009 $	2008 $	BYTE POWER GROUP LIMITED 2009 $	2008 $
Leased assets	**3,031**	3,788	**3,031**	**3,788**

(b) Reconciliations

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current and previous financial year.

	CONSOLIDATED 2009 $	2008 $	BYTE POWER GROUP LIMITED 2009 $	2008 $
Plant and equipment				
Carrying amount at beginning	**933,489**	456,622	**806**	1,008
Additions	**23,551**	486,950	**-**	-
Disposals	**-**	-	**-**	-
Depreciation expense	**(78,847)**	(10,083)	**(806)**	(202)
	878,193	933,489	**-**	806

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$
(b) Reconciliations (continued)				
Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the current and previous financial year.				
Office furniture and equipment				
Carrying amount at beginning	**45,834**	56,166	**17,848**	25,068
Additions	**11,276**	5,943	**587**	-
Disposals	**-**	(2,067)	**-**	-
Depreciation expense	**(17,989)**	(14,208)	**(6,531)**	(7,220)
	39,121	45,834	**11,904**	17,848
Leased assets				
Carrying amount at beginning	**3,789**	4,736	**3,789**	4,736
Additions	**-**	-	**-**	-
Disposals	**-**	-	**-**	-
Amortisation expense	**(758)**	(947)	**(758)**	(947)
	3,031	3,789	**3,031**	3,789
Leasehold improvements				
Carrying amount at beginning	**2,543**	3,179	**2,543**	3,179
Additions	**-**	-	**-**	-
Disposals	**-**	-	**-**	-
Depreciation expense	**(508)**	(636)	**(508)**	(636)
	2,035	2,543	**2,035**	2,543

12. Non-Current Assets - Other

Security deposits	**15,186**	24,547	**13,464**	**22,824**

13. Current Liabilities - Payables

Trade creditors	**1,643,489**	1,381,534	**1,497,793**	495,782
Other creditors	**1,636,902**	1,085,709	**657,039**	769,256
	3,280,391	2,467,243	**2,154,832**	1,265,038

		CONSOLIDATED		BYTE POWER GROUP LIMITED	
		2009	2008	**2009**	2008
		$	$	**$**	$

14. Current Liabilities – Interest Bearing Liabilities

Loans - Secured		**-**	49,630	**-**	49,630
Loans – Unsecured converting loans		**466,000**	-	**466,000**	-
Lease liabilities – Secured	Note 22(ii)	**12,938**	24,993	**-**	-
		478,938	74,623	**466,000**	49,630

15. Current Liabilities – Provisions

Employee benefits	Note 23	**154,514**	151,654	**131,543**	105,342

16. Current Liabilities

Convertible notes	**2,000,000**	2,000,000	**2,000,000**	2,000,000

Convertible notes totalling $2,000,000 have been acquired by interests associated with the company's Company Secretary. The Directors anticipate that these convertible notes, and associated interest of $271,506 will be converted to equity.

17. Non-Current Liabilities - Interest Bearing Liabilities

Unsecured				
Loan from controlled entities	**-**	-	**4,305,648**	4,451,146
Loan from director related entity	**1,919,014**	1,919,014	**1,919,014**	1,919,014
Secured				
Loan	**75,000**	237,350	**-**	162,350
	1,994,014	2,156,364	**6,224,662**	6,532,510

Further information relating to loans from related parties is set out in Note 27.

18. Non-Current Liabilities - Other

Other creditors	**67,500**	67,500	**67,500**	67,500

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $

19. *Contributed Equity*

(a) Issued and paid up capital - ordinary shares fully paid	**46,289,125**	45,734,825	**46,289,125**	45,734,825

	Notes	2009 Number of Shares	2009 $	2008 Number of Shares	2008 $
(b) Movements in ordinary share capital of the company were as follows:					
Beginning of the financial year		**384,126,442**	45,734,825	329,195,015	43,935,055
Share placement – November 2007	(i)	**-**	-	13,260,606	437,600
Share placement – December 2007	(ii)	**-**	-	15,151,515	500,000
Share placement – December 2007	(iii)	**-**		1,131,428	39,600
Conversation of loans – December 2007	(iv)	**-**	-	22,727,273	750,000
Share placement – February 2008	(v)	**-**	-	2,660,605	87,800
Share placement – August 2008	(vi)	**5,375,000**	64,500	-	-
Share placement – August 2008	(vii)	**2,166,669**	26,000	-	-
Share placement – September 2008	(viii)	**17,000,000**	204,000	-	-
Share placement – October 2008	(ix)	**12,500,000**	150,000	-	-
Share placement – December 2008	(x)	**12,500,000**	150,000	-	-
Less capital raising costs		**-**	(40,200)	-	(15,230)
		433,668,111	46,289,125	384,126,442	45,734,825

(i) Placement of 13,260,606 shares at 3.3 cents
(ii) Placement of 15,151,515 shares at 3.3 cents
(iii) Issue of 1,131,428 shares at 3.5 cents upon conversion of liabilities
(iv) Issue of 22,727,272 shares at 3.3 cents upon conversion of Director related entity loan
(v) Placement of 2,660,605 shares at 3.3 cents
(vi) Placement of 5,375,000 at 1.2 cents
(vii) Issue of 2,166,669 at 1.2 cents under share purchase plan
(viii) Placement of 17,000,000 shares at 1.2 cents
(ix) Placement of 12,500,000 shares at 1.2 cents
(x) Placement of 12,500,000 shares at 1.2 cents

(c) Terms and conditions of contributed equity

Ordinary shares
Ordinary shares have the right to receive dividends as declared and in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

(d) Options on Issue

There were no listed or unlisted options on issue as at 30 June 2009.

(e) Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that they can continue to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the company includes cash and cash equivalents, equity attributable to equity holders, comprising of contributed equity, reserves and accumulated losses. In order to maintain or adjust the capital structure, the company may issue new shares, sell assets to reduce debt or adjust the level of activities undertaken by the Group.

The Group monitors capital on the basis of cash flow requirements for operational and finance commitments. The Group's exposure to borrowings as at 30 June 2009 totals $4,540,452 (2008 : $4,298,487). The Group will continue to use capital market issues to satisfy anticipated funding requirements.

The Group's strategy to capital risk management is unchanged from prior years.

20. Accumulated Losses

	CONSOLIDATED		**BYTE POWER GROUP LIMITED**	
	2009 $	2008 $	**2009 $**	2008 $
Accumulated losses	**(52,972,094)**	(51,017,767)	**(57,264,609)**	(55,613,702)
Balance at the beginning of the year	**(51,017,767)**	(48,945,685)	**(55,613,702)**	(53,627,975)
Net loss attributable to members of Byte Power Group Limited	**(1,954,327)**	(2,072,082)	**(1,650,907)**	(1,985,727)
Balance at the end of the year	**(52,972,094)**	(51,017,767)	**(57,264,609)**	(55,613,702)

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$

21. Cash Flows Statement Information

(a) Reconciliation of Operating Loss After Income Tax to Net Cash Flows Used in Operations

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
Loss from ordinary activities after income tax	**(1,954,327)**	(2,072,082)	**(1,650,907)**	(1,985,727)
Depreciation of non-current assets	**98,102**	25,874	**8,605**	9,005
(Profit) / Loss on disposal of non-current assets	**8,060**	(5,476)	**(588)**	-
Change in assets and liabilities				
Decrease/(increase) in trade and other debtors	**(40,132)**	36,544	**-**	-
Decrease/(increase) in other current assets	**(10,479)**	(23,077)	**(21,440)**	-
Decrease/(increase) in non-current assets	**9,360**	-	**-**	-
Decrease/(increase) in inventories	**95,772**	26,710	**-**	-
Decrease/(increase) in other employee entitlements	**(2,860)**	43,321	**26,201**	40,235
(Decrease)/increase in trade and other creditors	**833,567**	1,274,303	**904,794**	413,091
(Decrease)/increase in provisions	**(17,489)**	-	**-**	-
Net cash flow used in operating activities	**(980,426)**	(693,883)	**(733,334)**	(1,523,396)

(b) Reconciliation of cash

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
Cash on hand or at bank	**15,905**	158,337	**7,819**	11,507
Term deposits	**-**	81,826	**-**	81,826
	15,905	240,163	**7,819**	93,333

(c) Non cash investing and financing activities

	CONSOLIDATED 2009 $	CONSOLIDATED 2008 $	BYTE POWER GROUP LIMITED 2009 $	BYTE POWER GROUP LIMITED 2008 $
Issue of share capital on partial conversion of liabilities and loans	**-**	789,600	**-**	789,600

22. *Expenditure Commitments*

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$
Lease Commitments				
(i) Operating leases (non – cancellable)				
Minimum lease payments				
- not later than one year	**129,885**	151,446	**73,440**	95,001
- later than one year but not later than 5 years	**61,783**	191,014	**18,360**	91,146
Aggregate lease expenditure contracted for at balance date	**191,668**	342,460	**91,800**	186,147
(ii) Finance leases				
- not later than one year	**13,585**	27,536	**-**	-
- later than one year but not later than 5 years	**-**	-	**-**	-
Total minimum lease payments	**13,585**	27,536	**-**	-
Less : Future finance charges	**647**	2,543	**-**	-
Total lease liabilities	**12,938**	24,993	**-**	-

Finance lease liabilities have an average lease rate implicit in the lease of 9%. Lease liabilities have an average term of 1 year and an average discount interest rate implicit in the lease of 10%.

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$

23. Employee Benefits

Employee Benefits				
The aggregate employee entitlement liability is comprised of:				
- Provision (current)	**154,514**	151,654	**131,543**	105,342
- Provision (non-current)	**-**	-	**-**	-
	154,514	151,654	**131,543**	105,342
Employee numbers	**Number**	Number	**Number**	Number
Average number of employees during the financial year	**10**	11	**4**	5

	CONSOLIDATED		BYTE POWER GROUP LIMITED	
	2009	2008	**2009**	2008
	$	$	**$**	$

24. Remuneration of Auditors

Audit and review of financial reports				
- Hacketts DFK	**55,600**	-	**60,600**	-
- Pitcher Partners	**-**	63,160	**-**	63,160
	55,600	63,160	**60,600**	63,160
Other assurance services				
- Hacketts DFK	**5,000**	-	**5,000**	-
- Pitcher Partners	**5,000**	-	**5,000**	-
	10,000	-	**10,000**	-
Non assurance services – other compliance and advisory services				
- Hacketts DFK	**-**	-	**-**	-
- Pitcher Partners	**-**	-	**-**	-
	-	-	**-**	-

25. Contingent Liabilities

Byte Power Group Limited has outstanding bank guarantees of $Nil (2008: $77,248) in respect of completion of contract works.

26. Related Parties and Key Management Compensation

(i) Key Management Personnel

The following persons were key management of Byte Power Group Limited:

G Ferguson	Non executive Chairman
A Phua	CEO and director
R Tham	Non executive director
M Walsh	Non executive director
E Lau	COO and Company Secretary

(ii) Key Management Personnel Compensation

	CONSOLIDATED		**BYTE POWER GROUP LIMITED**	
	2009 **$**	2008 $	**2009** **$**	2008 $
Short term employee benefits	**539,250**	483,617	**539,250**	483,617
Post employment benefits	**42,700**	38,575	**42,700**	38,575
Share based payments	**-**	-	**-**	-
	581,950	522,192	**581,950**	522,192

(iii) Equity instruments of Directors

Interest in the equity instruments of Byte Power Group Limited held by directors and key management personnel, including their director related entities:

	Ordinary shares Fully Paid		**Options over ordinary shares Consolidated entity**	
	2009 Number	2008 Number	**2009 Number**	2008 Number
Glenn Ferguson	340,851	340,851	-	-
Alvin Phua*	22,727,273	22,727,273	-	-
Michael Walsh	-	-	-	-
Raphael Tham	-	-	-	-
Ethel Lau	18,166,156	-	-	-
	41,234,280	23,068,124	-	-

*Held by APEL Pacific Group Pty Ltd in which Alvin Phua has a controlling interest.

27. Related Party Transactions

Ultimate parent
Byte Power Group Limited is the ultimate Australian parent entity.

Director-Related Entity Transactions
All transactions with related parties were made on normal commercial terms and conditions except where stated, and are as follows:

Loans
A director Mr Alvin Phua has a substantial interest in APEL Pacific Group Pty Ltd. APEL Pacific Group Pty Ltd provided vendor finance to Willhart Limited (now Byte Power Group Limited) pursuant to a loan agreement dated 26 November 2002 for $3,400,000 (Tranche 1 amount), $1,500,000 (Tranche 2 amount) to enable Willhart Limited to complete the Share Sale Agreement. APEL Pacific Group Pty Ltd also provided vendor finance to Willhart Limited for $1,095,000 in relation to the purchase of inventory. These unsecured loan funds have been provided at a floating interest rate which is 2% above the prime lending rate and interest for the period amounted to $250,954 (2008: $286,445). As at 30 June 2009, the outstanding loan balance was $1,919,014 (2008: $1,919,014) after repayments during the year of $229,450 (2008: $327,604). Interest outstanding as at 30 June 2009 totals $308,149 (2008: $286,645).

Wholly-Owned Group transactions
The wholly owned group consists of Byte Power Group Limited and its wholly owned controlled entities Power Tech Systems Pty Ltd, Byte Power Technologies Pty Ltd, Byte Power Technologies Inc., Willhart Facility Solutions Pty Ltd, A.C.N. 083 777 333 Pty Ltd, Byte Power Pty Ltd, Byte Power Technologies Pte Ltd and other non-operating companies . The ultimate parent entity in the wholly owned group is Byte Power Group Limited.

28. Segment Information

The Group and its controlled entities all operate in Australia and some also operate in the United States of America. A.C.N. 083 777 333 Pty Ltd (formerly Able Air Mechanical Services Pty Ltd) and Willhart Facilities Solutions Pty Ltd operate in the mechanical services industry, and Power Tech Systems Pty Ltd operates within power management. Byte Power Technologies Pty Ltd operates within network management solutions and Byte Power Pty Ltd operates as an IT&T reseller. Inter-segment pricing is on an ‘arms-length’ basis.

The primary basis for segmentation is “business” segmentation.

Primary Segment – Businesses

Business segments	**Power Management**		**IT&T**		**Unallocated**		**e-Kiosk**		**Total**	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
Revenue										
Sales to customers outside the consolidated entity	**421,017**	530,837	**292,466**	1,045,474	**-**	-	**96,907**	15,255	**810,390**	1,591,567
Other revenues from customers outside the consolidated entity	**801**	10,999	**213**	1,091	**3,983**	64,766	**17,338**	(16,186)	**22,336**	60,670
Inter segment revenues	**-**	-	**-**	-		-	**-**	-		-
Total segment revenue	**421,818**	541,836	**292,679**	1,046,566	**3,983**	64,766	**114,245**	(931)	**832,726**	1,652,237
Results										
Segment result	**41,243**	206,862	**(33,475)**	(143,794)	**(1,650,907)**	(1,985,727)	**(311,188)**	(149,426)	**(1,954,327)**	(2,072,082)
Income tax expense									-	-
Net loss									(1,954,327)	(2,072,082)
Assets										
Segment assets	**199,578**	342,689	**45,064**	203,641	**69,053**	119,991	**978,693**	940,585	**1,292,388**	1,606,906
Liabilities										
Segment liabilities	**88,035**	272,389	**7,265,813**	7,390,914	**11,044,536**	9,998,868	**(10,423,027)**	(10,772,323)	**7,975,357**	6,889,848
Other segment information:										
Acquisition of property, plant and equipment, intangible assets and other non-current assets	**588**	-	**4,996**	4,937	**-**	3,935	**1,111**	486,950	**6,695**	495,822
Depreciation and amortisation	**12,311**	12,988	**3,853**	3,549	**8,605**	9,005	**73,335**	330	**98,102**	25,874
Non-cash expenses other than depreciation and amortisation	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-

Secondary segment – Geographical

	2009			2008		
	Australia	Overseas*	Total	Australia	Overseas*	Total
Segment revenue	713,483	96,907	810,390	1,576,311	15,255	1,591,566
Segment assets	(235,162)	1,527,550	1,292,388	235,289	1,371,617	1,606,906
Other information:						
Acquisition of Plant & Equipment	5,584	1,111	6,695	8,872	486,950	495,822

* Predominantly China

	CONSOLIDATED	
	2009	2008
	$	$
29. Earnings per Share		
The following reflects the income and share data used in the calculation of basic and diluted earnings per share:		
Loss from ordinary activities	**(1,954,327)**	(2,072,082)
	Number	Number
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	**418,809,207**	358,609,896

30. Subsequent Events

Subsequent to balance date the company received funding in the amount of $962,518 by means of short term converting loans and private placement of shares. The loans totalling $857,518 are convertible to ordinary shares at 0.5 cents per share.

No other matter or circumstance have arisen since the end of the financial year that has significantly affected, or may affect, the operations of the Group, the result of those operations, or the state of affairs of the Group in future financial years.

31. Financial Instruments

(a) Credit Risk Exposures

The consolidated entity's maximum exposure to credit risk at reporting date in relation to each class of recognised financial assets is the carrying amount, net of any provision for doubtful debts, of those assets as indicated in the balance sheet.

The consolidated entity minimises concentrations of credit risk in relation to accounts receivable by undertaking transactions with a large number of customers that are concentrated in Australia. The consolidated entity is not materially exposed to any individual customer.

(b) Interest Rate Risk

The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and financial liabilities is set out in the following table.

Exposures arise predominantly from assets and liabilities bearing variable interest rates as the consolidated entity intends to hold fixed rate assets and liabilities to maturity.

	Weighted average interest rate	Non bearing Interest $	Floating interest rate $	Fixed Interest rate maturing in 1 year or less $	Fixed interest rate maturing in 1 to 5 years $	Total $
2009						
Financial assets						
Cash and cash equivalents	-	15,905	-	-	-	15,905
Receivables	-	164,107	-	-	-	164,107
		180,012	-	-	-	180,012
Weighted average interest rate %			-	-	-	
Financial liabilities						
Trade and other creditors	-	3,280,391	-	-	-	3,280,391
Lease liabilities	10.0%	-	-	12,938	-	12,938
Converting loans	8.0%	-	-	466,000	-	466,000
Convertible notes	11.0%	-	-	2,000,000	-	2,000,000
Loans from director related entity	11.6%	-	1,919,014	-	-	1,919,014
Other loans	20.0%	-	-	75,000	-	75,000
		3,280,391	1,919,014	2,553,938	-	7,753,343
Weighted average interest rate %			11.6%	10.71%	-	
2008						
Financial assets						
Cash and cash equivalents	2.6%	158,336	81,826	-	-	240,162
Receivables	-	123,975	-	-	-	123,975
		282,311	81,826	-	-	364,137
Weighted average interest rate %			7.6%	-	-	
Financial liabilities						
Trade and other creditors	-	2,467,243	-	-	-	2,467,243
Lease liabilities	10.0%	-	-	12,938	12,055	24,993
Converting loans	-	-	-	-	-	-
Convertible notes	11.0%	-	-	2,000,000	-	2,000,000
Loans from director related entity	11.6%	-	1,919,014	-	-	1,919,014
Other loans	20.0%	-	-	237,350	-	237,350
		2,467,243	1,919,014	2,250,288	12,055	6,648,600
Weighted average interest rate %			11.6%	11.94%	10.0%	

(c) Sensitivity analysis

The company's and Group's exposure to interest rates is predominantly through liabilities with fixed interest rate arrangements. Therefore any movement in interest rates is considered not to have a material impact upon the company's or Group's financial performance and equity position.

DIRECTORS' DECLARATION

The Directors of the company declare that:

(a) the financial statements and notes, as set out on pages 27 to 56, are in accordance with the *Corporations Act 2001*, including:

  (i) complying with Accounting Standards; and
  (ii) give a true and fair view of the company's and consolidated entity's financial positions as at 30 June 2009 and of their performance, as represented by the results of their operations, changes in equity and their cash flows for the financial year ended on that date;

(b) the Chief Executive Officer and Chief Financial Officer (or equivalent) have each declared that:

  (i) the financial records of the company and consolidated entity for the year ended 30 June 2009 have been properly maintained in accordance with section 286 of the Corporations Act 2001;
  (ii) the financial statements and notes for the financial year ended 30 June 2009 comply with the Accounting Standards; and
  (iii) the financial statements and notes for the financial year ended 30 June 2009 give a true and fair view;

(c) in the Directors' opinion, on the basis of the company's and the Group's ability to secure the arrangements and facilities noted in Note 1(a), and the generation of future profits, the Directors believe that the company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Board

Alvin Phua
Director

Brisbane, 30 September 2009

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

We have audited the accompanying financial report of Byte Power Group Limited and its controlled entities ("the Group"). The financial report comprises the balance sheets as at 30 June 2009, and the income statements, statements of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the Directors' declaration.

Directors' Responsibility for the Financial Report and the AASB 124 Remuneration Disclosures contained in the Directors' Report
The Directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In Note 1, the Directors also state, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards ensures that the financial report, comprising the financial statements and notes, complies with International Financial Reporting Standards.

Auditor's Responsibility
Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

HACKETTS DFK

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BYTE POWER GROUP LIMITED
(continued)

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

Basis for Qualified Auditor's Opinion
As a result of the matters described in Note 1(a) to the financial statements the Directors' Declaration includes the Directors' statement that in their opinion the company has the ability to pay its debts as and when they fall due. This statement confirms that the going concern basis has been used in the preparation of the financial report and that the application of the going concern assumption remains appropriate.

There is significant uncertainty whether the company and Group will be able to continue as going concerns and, therefore, whether it will be able to pay its debts as they become due and payable and realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the company or Group not be able to continue as a going concern.

Qualified Auditor's Opinion
In our opinion, except for the effect on the financial statements of the matter referred to in the qualification paragraphs:

(a) the financial report of Byte Power Group Limited is in accordance with the Corporations Act 2001, including:
  (i) giving a true and fair view of the company's and Group's financial positions as at 30 June 2009 and of their performance for the year ended on that date; and
  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

(b) the consolidated financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report
We have audited the Remuneration Report included on pages 16 to 19 of the Directors' Report for the year ended 30 June 2009. The Directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion
In our opinion the Remuneration Report of Byte Power Group Limited for the year ended 30 June 2009 complies with section 300A of the Corporations Act 2001.

Hacketts

Hacketts DFK

S J Lindemann

S J Lindemann
Partner

Brisbane, 30 September 2009

SHAREHOLDER INFORMATION

The shareholder information set out below was applicable as at 20 September 2009.

A. Distribution of equity securities

Analysis of numbers of ordinary share security holders by size of holding:

Range	Ordinary Shares
1 – 1,000	213
1,001 – 5,000	197
5,001 – 10,000	101
10,001 – 100,000	189
100,001 and over	174
	874

There were 655 holders of less than a marketable parcel of 62,500 ordinary shares.

B. Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Ordinary shares	
	Number Held	Percentage of issued shares
Tech Pacific Australia Pty Limited	38,220,860	8.81
Mr Tze-Fai Yuen	23,959,021	5.52
APEL Pacific Group Pty Ltd <The APEL Family A/c>	22,727,273	5.24
Uob Kay Hian Private Limited <Clients A/c>	20,583,641	4.75
Ethel Lau <Ethel Lau Superannuation Fund>	18,166,156	4.19
Mr Boon Kheng Ong	17,000,000	3.92
Asia Pacific Links (BVI) Pty Ltd	15,151,515	3.49
Logistic Web Services Limited	13,369,670	3.08
Mr Chris Carr + Mrs Betsy Carr	12,000,000	2.77
Opes Prime Group Limited	11,201,165	2.58
Superior Venture Holding Limited	11,191,334	2.58
Esklaw Pty Ltd	10,904,651	2.51
Mr Huat Lai Lee + Ms Ai Wah Lee	8,333,333	1.92
Tim Fraser Developments Pty Ltd <Tim Fraser Development A/c>	8,266,667	1.91
Ms Choo Seet EE	8,099448	1.87
Chiang Pty Ltd	8,000,000	1.84
Ai Wah Lee + Huat Lai Lee	6,250,000	1.44
Nefco Nominees Pty Ltd	6,181,678	1.43
Yow Sun Loh	6,000,000	1.38
Mr Jun Liu	5,601,382	1.29
	271,207,794	62.54

Unquoted equity securities

There are no unquoted equity securities.

C. Substantial holders

Substantial holders in the company are set out below:

Name	Ordinary shares Number Held	Ordinary shares Percentage of issued shares
Tech Pacific Australia Pty Limited	38,220,860	8.81
Mr Tze-Fai Yuen	23,959,021	5.52
APEL Pacific Group Pty Ltd <The APEL Family A/c>	22,727,273	5.24

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

CORPORATE DIRECTORY

Directors

Glenn Ferguson (Chairman)
Alvin Phua (Chief Executive Officer)
Raphael Tham
Michael Walsh

Company Secretary

Ethel Lau

Registered Office

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BRISBANE QLD 4000

Auditors

Hacketts DFK
Level 3, 549 Queen Street
BRISBANE QLD 4000

Share Registry

Link Market Services Limited
ANZ Building
Level 19, 324 Queen Street
BRISBANE QLD 4000
Telephone: (07) 3320 2232
Facsimile: (07) 3228 4999

Bankers

Westpac Banking Corporation
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