OMNITECH HOLDINGS LIMITED

ANNUAL REPORT 2012

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CORPORATE DATA

Board of Directors

He Yuan Qing
Chairman

Chong Wing Onn
Managing Director

Ye Dongmei
Director

Company Secretaries

Ye Dongmei, Robert Lees

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Solicitors

Minter Ellison
88 Phillip Street
Sydney NSW 2000
Australia

Independent Auditors

Moore Stephens
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30 Canton Road
Tsimshatsui Kowloon
Hong Kong

Principal Registry and Transfer Office

Butterfield Corporate Services Ltd
The Rosebank Centre
14 Bermudiana Road
Pembroke HM08
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Telephone: +441 295 1111

Branch Share Registry and Transfer Office

Computershare Investor Services Pty Limited
Level 3, 60 Carrington Street
Sydney NSW 2000
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Business Offices

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(Representative Office)
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Omnitech
11/F., Times Tower,
391-407 Jaffe Road,
Causeway Bay,
Hong Kong

CHAIRMAN'S REPORT

The trading of the Company's shares on Australia Stock Exchange ("ASX") has been suspended since 1 August 2009, the results for the year basically reflect general administrative expenses incurred by the Company to maintain its basic operation.

Since 30 December 2009, Treasure Unicorn Limited ("Treasure Unicorn") has become the Company's substantial shareholder as well as its immediate holding company. The Company has been advised by Treasure Unicorn that it intends to re-capitalize the Company and to support the business expansion including acquisitions, as the Company has been actively considering potential acquisitions and business expansion to rejuvenate the Company's operation. We believe that with the commitment from the immediate holding company, the Company shall be able to revive and to create value for our shareholders in the near future.

He Yuan Qing
Chairman

28 March, 2013

REPORT OF THE DIRECTORS

The Directors present their report together with the consolidated financial statements of Omnitech Holdings Limited ("the Company") and its controlled entity ("the Group") for the year ended 31 December 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Group is investment holding. The Group is actively considering potential acquisitions and business expansion currently.

RESULTS AND REVIEW OF OPERATIONS

The results of the Group for the year ended 31 December 2012 are set out in the statement of comprehensive income on page 12. For the year ended 31 December 2012, the Group did not have any revenue from ordinary activities and only maintained its operation on a basic level. The Group made a loss of A$143,328, which came mostly from administrative expenses.

Since the Company closed down its electronic business in 2008, it has all along been actively looking for new investment and business opportunities with high-growth potential. We will keep our shareholders informed should there be any progress in this regard.

RESERVES

The movements in reserves of the Group and of the Company during the year are set out in Note 15 to the financial statements.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no significant changes in the state of affairs of the Company or the Consolidated entity that occurred during the financial year under review not otherwise disclosed in this report or in the accompanying financial statements.

DIVIDEND

The Directors recommend that no dividend be declared or paid.

LIKELY DEVELOPMENT

Disclosure of information not included in this report as to likely developments in the operations of the Group and the expected results of those operations in subsequent financial years has not been included because, in the opinion of the Directors, it would prejudice the interests of the consolidated entity.

DIRECTORS

The following persons were Directors of the Company during the year and up to the date of this report:

Arthur Sturgess (Resigned on 7 November 2012)
Kwok Tak Pui Thomas (Resigned on 8 March 2012)
Suen Ho Woon Geoffrey (Resigned on 8 March 2012)
Wong Yeok Yan (Resigned on 8 March 2012)
He Yuan Qing (Appointed on 8 March 2012)
Chong Wing Onn (Appointed on 8 March 2012)
Ye Dongmei (Appointed on 7 November 2012)

DIRECTORS' INFORMATION

He Yuan Qing	*Chairman of Omnitech Holdings Limited since 2012* Mr. He, aged 33, holds a Master of Commerce (in Marketing) degree from University of New South Wales. Mr. He took a variety of marketing and operations roles throughout his career. Mr. He had held a number of senior management positions in wine trading and property development industry in Australia and South-East Asia, and has had extensive experience on corporate strategy and corporate governance.
Chong Wing Onn	*Managing Director of Omnitech Holdings Limited since 2012* Mr. Chong, aged 31, holds a Bachelor of Applied Finance degree, a Bachelor of Commerce (in Accounting) degree from Macquarie University and a Diploma of Financial Planning. Mr. Chong is a Member of CPA Australia and Master of Builders Association. With a long career in banking, financial and property development industry, Mr. Chong brings extensive experience in advising investment opportunities and corporate management.
Ye Dongmei	*Executive Director of Omnitech Holdings Limited since 2012* Ms. Ye, aged 29, holds a Master of Accounting degree from Macquarie University. Ms. Ye is a Member of CPA Australia. Ms. Ye worked in an accounting firm for a number of years and has extensive experience in financial and taxation industry. Ms. Ye also has experience in property management industry in Australia.

DIRECTORS' BENEFITS

No Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as detailed in Note 16 to the financial statements) by reason of a contract made by the consolidated entity or a controlled entity with the Director or with a firm of which the Director is a member, or with a Company in which the Director has a substantial interest, except for any benefit that may be deemed to have arisen in relation to the contracts disclosed in Note 19 of the financial statements.

DIRECTORS' INTERESTS IN CONTRACTS

No material contracts involving Directors' interests were entered into at the end of the financial year, other than the transactions detailed in Note 19 of the financial statements.

DIRECTORS' MEETINGS

Seven Directors' meetings were held during the financial year. The numbers of Directors' meetings attended by each Director during the financial year were as follows:

	Number of Directors' meetings held whilst in office	Number of Directors' meetings attended
Arthur Sturgess	7	7
Kwok Tak Pui Thomas	0	0
Suen Ho Woon Geoffrey	0	0
Wong Yeok Yan	0	0
He Yuanqing	7	7
Chong Wing Onn	7	7
Ye Dongmei	1	1

REMUNERATION REPORT

The information provided in this remuneration report has been audited.

A. Principles Used to Determine Amount and Nature of Remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Transparency

All director fees are periodically recommended for approval by shareholders.

The Group's policy regarding executive remuneration is that the executives are paid commercial salary and benefits based on the Company's performance, market rate and individual experience.

B. Details of Remuneration of Key Management Personnel of the Group

I. Remuneration of Directors

2012	Salary	Post Employment Superannuation	Shared-based Payments Options		Total
			Granted	Lapsed	
Arthur Sturgess	A$22,500	Nil	Nil	Nil	A$22,500
Kwok Tak Pui Thomas	Nil	Nil	Nil	Nil	Nil
Suen Ho Woon Geoffrey	Nil	Nil	Nil	Nil	Nil
Wong Yeok Yan	Nil	Nil	Nil	Nil	Nil
He Yuan Qing	Nil	Nil	Nil	Nil	Nil
Chong Wing Onn	Nil	Nil	Nil	Nil	Nil
Ye Dongmei	Nil	Nil	Nil	Nil	Nil

2011	Salary	Post Employment Superannuation	Shared-based Payments Options		Total
			Granted	Lapsed	
Arthur Sturgess	A$4,989	Nil	Nil	Nil	A$4,989
Kwok Tak Pui Thomas	Nil	Nil	Nil	Nil	Nil
Suen Ho Woon Geoffrey	Nil	Nil	Nil	Nil	Nil
Wong Kin Chi	Nil	Nil	Nil	Nil	Nil
Wong Yeok Yan	Nil	Nil	Nil	Nil	Nil

II. Remuneration of Key Management Personnel of the Group

There were no key management personnel employed by the Company during the year for which disclosure of remuneration is required, apart from the remuneration details disclosed above.

There was no termination benefits paid during the year to any Director or key management personnel.

At the date of this report, the Company had no employees that fulfilled the role of key management personnel, other than those disclosed above.

INDEPENDENT AUDITORS

Moore Stephens continue in office as independent auditors of the Group.

Signed in accordance with a resolution of the Board of Directors.

He Yuan Qing
Chairman

Chong Wing Onn
Executive Director

Hong Kong
28 March, 2013

CORPORATE GOVERNANCE STATEMENT

The Directors of Omnitech Holdings Limited ("OHL") support the Corporate Governance Principles and Recommendations developed by the ASX Corporate Governance Council as a basis for enhancing the credibility and transparency of capital markets.

The Directors regard the Principles and Recommendations as good and appropriate guidelines in most cases. However, due to the structure and size of OHL, the Company does not meet all of the recommendations relating to the composition of its Board and these are detailed below.

Principle 1 – Lay solid foundations for management and oversight

Recommendation1.1: Board functions and responsibilities

The primary responsibilities of the Board include:-

(i) the approval of the annual and half-year financial statements;
(ii) the establishment of the long term goals of the Company and strategic plans to achieve those goals;
(iii) the review and adoption of annual budgets for the financial performance of the Company and monitoring the results on a monthly basis; and
(iv) ensuring that the Company has implemented adequate systems of internal controls together with appropriate monitoring of compliance activities.

The Board has adopted a formal Board Charter consistent with the guidance provided in the ASX Guidelines.

Newly appointed Directors would be provided with a formal letter of appointment setting out the key terms, conditions, and expectations of their appointment, consistent with the guidance provided in the ASX Guidelines.

Recommendation 1.2: Evaluating performance of senior executives

Senior executives have a formal position description and letter of appointment, describing their term of office, duties, rights and responsibilities, and entitlements on termination. Objective performance measures encompassing safety, environmental, operational, financial and individual objectives are established periodically. Formal performance evaluations are conducted on an annual basis, and progress reviews are conducted periodically. New senior executives participate in a formal induction process.

Principle 2 – Structure of the Board to add value

Recommendation 2.1: Majority of the Board should be independent

Given the Company's size, the Board considers that a majority of independent directors is not currently warranted. As the Company's activities expand, the policy will be reviewed, with a view to aligning the Company's policy to conformity with this recommendation.

Recommendation 2.2: The chair should be an independent director

The Chairman (Mr. He Yuan Qing) is an independent director and does not hold any shares in the Company.

Recommendation 2.3: The roles of chair and chief executive officer should not be exercised by the same individual

The role of the Chairman is undertaken by Mr. He Yuan Qing and he is not the managing director of the Board.

Recommendation 2.4: Nomination committee

As the Company has a relatively small Board, the full Board acts as a Nomination Committee and regularly reviews Board membership. This includes an assessment of the necessary desirable competencies of Board members, Board succession plans, an evaluation of the Board's performance and consideration of appointments and removals.

When a Board vacancy occurs, the Board, acting as a nomination committee, identifies the particular skills, experience and expertise that will best complement Board effectiveness and then undertakes a process to identify candidates who can meet those criteria.

In its deliberations as the nomination committee, the Board is particular focused on the number and nature of the directorships and availability of time to commit to the Company's affairs, of all present and potential Directors.

Directors are not appointed for specific terms, as their periods in office are regularly reviewed in the processes referred to above.

Recommendation 2.5: Board performance evaluation

In order to ensure the Board continues to discharge its responsibilities in an appropriate manner, reviews of the performance of all Directors will be conducted annually. The Board's procedures for selection and appointment of Directors, induction and education, access to information, and reviews of performance are included in the Board Charter.

Skills, experience and expertise relevant to the position of Director held by each Director is included in the Report of the Directors.

Each Director has the right, at the Company's expense, to seek independent professional advice in relation to the execution of Board responsibilities.

Terms of office of each existing Director are included in the Report of the Directors.

Principle 3 – Promote ethical and responsible decision-making

Recommendation 3.1: Code of conduct

The Company has policies and procedures which seek to promote a culture of compliance with legal requirements and ethical standards throughout the Company and the Board. To this end, the Board seeks, by the individual contributions of Directors and by encouraging activities of its executives, to uphold community standards and to maintain good relations with community and government organizations.

Recommendation 3.2, 3.3 and 3.4: Policy concerning gender diversity

The Company does not have a specific diversity policy. However, the Group always constantly pursuit the recruitment on the basis of competence and performance regardless of age, nationality, gender, race, religious beliefs or cultural background.

Principle 4 – Safeguard integrity in financial reporting

Recommendation 4.1: Audit Committee

The Company does not have a formal audit committee. The full Board carried out the functions of an audit committee. Due to the status of the Company and the relatively straight forward accounts of the Company anticipated in the coming several financial years, the Directors believe that at the moment there would be no additional benefits obtained by establishing such a committee. The Board follows the Audit Committee Charter, a copy of which is available on request.

Recommendation 4.2: A formal charter of the Audit Committee

The Company's Audit Committee Charter is consistent with the ASX Guidelines and a copy of which is available on request.

The Company's policy is to appoint external auditors who clearly demonstrate quality and independence. The performance of external auditors is reviewed annually. It is Moore Stephens' policy to rotate engagement partners on listed companies at least every five years.

Principle 5 - Make timely and balanced disclosure

Recommendation 5.1: Continuous disclosure

The Company's Financial Markets Communication Policy and Practice which addresses the items contained in 5.1 is consistent with ASX Guidelines, a summary of which will be reviewed and circulated periodically.

Principle 6 - Respect the rights of shareholders

Recommendation 6.1: Effective communications with shareholders

The Company aims to keep shareholders informed of the Company's performance and all major developments in an ongoing manner. Information is communicated to shareholders through:

(i) Annual Report;
(ii) Appendix 4E Preliminary Annual Report;
(iii) Appendix 4D Half Year Report;
(iv) All documents that are released publicly being made available on the ASX's website; and
(v) Other correspondence regarding matters impacting on shareholders as required.

Shareholders are also encouraged to participate in the Annual General Meeting to ensure a high level of accountability and identification with the Company's strategies and goals.

The Company's Financial Markets Communication Policy is consistent with the ASX Guidelines.

Principle 7 - Recognise and manage risk

Recommendation 7.1: Policies for oversight and management

The Company has adopted a Risk Management Policy which is circulated and reviewed by the Board regularly.

Recommendation 7.2: Risk Management and Internal Control System

Given the size of the Company, the Board does not have a separate risk management committee, instead the Board monitors risk management policy and compliance framework additional to the external audit and internal controls.

The Directors undertake to regular risk assessment or routine operational risk assessments and are primarily responsible for ensuring that all key risks have been identified, analysed and documented and that appropriate action plans have been developed to deal with them. The assessment of the effectiveness of the risk management systems and the key business risk is referred to the Board.

Recommendation 7.3: Sound risk management statement

The Executive Directors and accounting staff provide the required statement in relation to half year and full year financial reports.

Principle 8 - Remuneration fairly and responsibly

Recommendations 8.1 and 8.2: Remuneration Committee

The Company does not have a formal remuneration committee. The full Board carries out the functions of a remuneration committee. Given the existing size of the Company that not justifies having a separate remuneration committee. Nevertheless, matters typically dealt with by the remuneration committee are dealt with by the full Board currently. The remuneration policy is consistent with ASX Guidelines, and a copy of the charter is available on request.

Recommendation 8.3: Structure of remuneration

Remuneration of the members of the Board is by reference to the corporate value and the business performance of the Group. Please refer to the Report of the Directors for details of what the non-executive directors' fee are based on.

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2012

	NOTES	CONSOLIDATED		COMPANY	
		Year ended 31.12.2012 $	Year ended 31.12.2011 $	Year ended 31.12.2012 $	Year ended 31.12.2011 $
Revenue from ordinary activities	3	--	--	--	--
Cost of sales		--	--	--	--
Gross profit		--	--	--	--
Other income	3	41,182	--	4,520,019	--
Administrative expenses		(184,510)	(69,335)	(144,732)	(69,335)
Other operating expenses		--	--	--	--
Operating (loss)/profit	3	**(143,328)**	**(69,335)**	**4,375,287**	**(69,335)**
Finance costs	4	--	(339,873)	--	(339,873)
(Loss)/profit before income tax		**(143,328)**	**(409,208)**	**4,375,287**	**(409,208)**
Income tax	5	--	--	--	--
Net (loss)/profit for the year		**(143,328)**	**(409,208)**	**4,375,287**	**(409,208)**
Net (loss)/profit attributable to:					
Owner of the parent		(143,328)	(409,208)	4,375,287	(409,208)
Non-controlling interest		--	--	--	--
		(143,328)	(409,208)	4,375,287	(409,208)
Loss per share					
Basic	21	(0.22) cents	(0.83) cents		
- Continuing operations		(0.22) cents	(0.83) cents		
- Discontinued operations		--	--		
		(0.22) cents	(0.83) cents		
Diluted	21	N/A	N/A		
- Continuing operations		N/A	N/A		
- Discontinued operations		N/A	N/A		

The accompanying notes form part of these financial statements.

STATEMENT OF COMREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMER 2012

	CONSOLIDATED		COMPANY	
	Year ended 31.12.2012 $	Year ended 31.12.2011 $	Year ended 31.12.2012 $	Year ended 31.12.2011 $
Net (loss)/profit for the year	**(143,328)**	**(409,208)**	**4,375,287**	**(409,208)**
Other comprehensive (loss)/income				
Foreign currency translation differences for foreign operations	-	(38,430)	--	(36,573)
Other comprehensive (loss)/income for the year, net of income tax	**--**	**(38,430)**	**--**	**(36,573)**
Total comprehensive (loss)/income for the year	**(143,328)**	**(447,638)**	**4,375,287**	**(445,781)**
Total comprehensive (loss)/income attributable to:				
Owner of the parent	(143,328)	(447,638)	4,375,287	(445,781)
Non-controlling interest	--	--	--	--
	(143,328)	(447,638)	4,375,287	(445,781)

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2012

	NOTES	CONSOLIDATED		COMPANY	
		31.12.2012	31.12.2011	31.12.2012	31.12.2011
		$	$	$	$
Current Assets					
Cash and bank balances		80,386	657	69,719	657
Prepayments and deposits		17,679	23,135	14,137	23,135
Loan to controlled entity	7	--	--	54,900	--
Total Current Assets		98,065	23,792	138,756	23,792
Non-Current Assets					
Interests in controlled entity and other investments	8	--	--	100	--
Property, plant and equipment	9	1,013	--	--	--
Total Non-Current Assets		1,013	--	100	--
Total Assets		99,078	23,792	138,856	23,792
Current Liabilities					
Loan from immediate holding company	10	7,592,407	7,592,407	7,592,407	7,165,590
Advance from immediate holding company	11	188,065	161,885	188,065	161,885
Provisions	12	22,410	69,976	22,410	69,976
Total Current Liabilities		7,802,882	7,824,268	7,802,882	7,397,451
Non-Current Liabilities					
Trade and other payables	13	--	--	--	4,905,654
Total Non-Current Liabilities		--	--	--	4,905,654
Total Liabilities		7,802,882	7,824,268	7,802,882	12,303,105
Net Liabilities		(7,703,804)	(7,800,476)	(7,664,026)	(12,279,313)
Shareholders' Deficiency					
Contributed equity	14	5,108,936	4,948,936	5,108,936	4,948,936
Reserves	15	(12,812,740)	(12,749,412)	(12,772,962)	(17,228,249)
Shareholders' deficiency attributable to members of the parent entity		(7,703,804)	(7,800,476)	(7,664,026)	(12,279,313)
Total Shareholders' Deficiency		(7,703,804)	(7,800,476)	(7,664,026)	(12,279,313)

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2012

	NOTES	CONSOLIDATED		COMPANY	
		Year ended 31.12.2012 $	Year ended 31.12.2011 $	Year ended 31.12.2012 $	Year ended 31.12.2011 $
Cash flows from operating activities					
Net cash used in operating activities	20(b)	(185,101)	(90,799)	(142,119)	(90,799)
Cash flows from investing activities					
Investment in a subsidiary		--	--	(100)	--
Purchase of plant and equipment		(1,350)	--	--	--
Net cash used in investing activities		(1,350)	--	(100)	--
Cash flows from financing activities					
Advance to controlled company		--	--	(54,900)	--
Advance from immediate holding company		26,180	90,799	26,181	90,799
Issue of share capital		240,000	--	240,000	--
Net cash generated from financing activities		266,180	90,799	211,281	90,799
Increase in cash and cash equivalents		79,729	--	69,062	--
Cash and cash equivalents at beginning of year		657	654	657	654
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		--	3	--	3
Cash and cash equivalents at end of year	20(a)	80,386	657	69,719	657

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIENCY

FOR THE YEAR ENDED 31 DECEMBER 2012

	CONSOLIDATED					
	Share capital	Share premium	Contributed surplus	Foreign currency translation	Accumulated losses	Total
	$	$	$	$	$	$
Balance as at 1 January 2011	4,948,936	7,421,560	2,322,758	(3,131,290)	(18,914,802)	(7,352,838)
Loss for the year	--	--	--	--	(409,208)	(409,208)
Other comprehensive loss for the year						
Loss on translation of foreign operations	--	--	--	(38,430)	--	(38,430)
Total comprehensive loss for the year	--	--	--	(38,430)	(409,208)	(447,638)
Balance as at 31 December 2011	4,948,936	7,421,560	2,322,758	(3,169,720)	(19,324,010)	(7,800,476)
Increase in share capital	160,000	80,000	--	--	--	240,000
Loss for the year	--	--	--	--	(143,328)	(143,328)
Other comprehensive income for the year						
Deregistration of controlled entities	--	--	3,925,023	2,306,655	(6,231,678)	--
Total comprehensive income/(loss) for the year	--	--	3,925,023	2,306,655	(6,375,006)	(143,328)
Balance as at 31 December 2012	5,108,936	7,501,560	6,247,781	(863,065)	(25,699,016)	(7,703,804)

	COMPANY					
	Share capital	Share premium	Contributed surplus	Foreign currency translation	Accumulated losses	Total
	$	$	$	$	$	$
Balance as at 1 January 2011	4,948,936	7,421,560	6,247,781	(826,492)	(29,625,317)	(11,833,532)
Loss for the year	--	--	--	--	(409,208)	(409,208)
Other comprehensive loss for the year						
Loss on translation of foreign operations	--	--	--	(36,573)	--	(36,573)
Total comprehensive loss for the year	--	--	--	(36,573)	(409,208)	(445,781)
Balance as at 31 December 2011	4,948,936	7,421,560	6,247,781	(863,065)	(30,034,525)	(12,279,313)
Increase in share capital	160,000	80,000	--	--	--	240,000
Profit for the year	--	--	--	--	4,375,287	4,375,287
Other comprehensive income for the year	--	--	--	--	--	--
Total comprehensive income for the year	--	--	--	--	4,375,287	4,375,287
Balance as at 31 December 2012	5,108,936	7,501,560	6,247,781	(863,065)	(25,659,238)	(7,664,026)

The accompanying notes form part of these financial statements.

FOR THE YEAR ENDED 31 DECEMBER 2012

1. GENERAL

The Company is a public limited company incorporated in Bermuda with its shares listed on the Australian Stock Exchange Limited (the "ASX").

The principal activity of the Company is investment holding. Details of the principal activities of the Company's controlled entity are set out in Note 8.

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Preparation

As the Group has already ceased trading, these financial statements have been prepared on a non-going concern basis (see (b) below). Otherwise, the financial report is a general purpose financial report which has been prepared in accordance with International Financial Reporting Standards ("IFRSs").

These financial statements are presented in Australian dollars.

These financial statements have been prepared on the basis of historical costs and, except where stated, do not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The principal accounting policies and methods of computation used by the Company and its controlled entity (together referred to as the "Group") in the preparation of the financial statements for the year ended 31 December 2012 are consistent with those adopted in the financial statements for the year ended 31 December 2011, except for the adoption of the new and revised IFRSs as explained below.

In the preparation of the financial statements for the year ended 31 December 2012, the Group has applied, for the first time, the following amendments to standards.

IAS 12 Amendment	Deferred Tax: Recovery of Underlying Assets
IFRS 1 Amendment	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
IFRS 7 Amendment	Disclosures - Transfers of Financial Assets

The application of the revised IFRSs had no effect on the consolidated financial statements of the group for the current or prior accounting periods.

<u>Judgements</u>

The preparation of financial statements in conformity with IFRSs requires the directors of the Company to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have considered the development, selection and disclosure of the Group's critical accounting policies and estimates. There are no critical accounting judgements and estimates in applying the Group's accounting policies.

FOR THE YEAR ENDED 31 DECEMBER 2012

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES – CONTINUED

(b) Going concern

The financial statements for the year ended 31 December 2012 have been prepared on a non-going concern basis with assets stated at recoverable amounts because the Group has ceased trading since 2008.

Accumulated losses result in a deficiency in assets in the amount of A$7,703,804 at the end of the reporting period. The Company's immediate holding company (see Note 27) has agreed to provide continuing financial support to the Company for at least one year from the date that the financial statements are approved by the directors of the Company, and the Group intends to launch new business operations in 2013.

ASX Listing Rule 12.1 requires that the level of operations must, in ASX's opinion, be sufficient to warrant the continued quotation of the entity's securities and its continued listing. The Company had failed to demonstrate its compliance with Listing Rule 12.1 by 31 July 2009, and ASX had suspended the Company's securities from official quotation as from 1 August 2009.

(c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entity controlled by the Company (its subsidiary). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiary acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with those used by other members of the Group.

All intra-Group transactions, balances, income and expenses are eliminated in full on consolidation.

The interests in the controlled entity are disclosed in Note 8.

(d) Investments

Controlled Entity

Investments in controlled entity are carried in the Company's financial statements at the lower of cost and their recoverable amount. Dividends and distributions are brought to account in profit or loss when they are proposed by the controlled entity.

FOR THE YEAR ENDED 31 DECEMBER 2012

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES – CONTINUED

(e) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost, less provisions for depreciation and impairment losses, if any. Details are set out in Note 9.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the item has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the consolidated income statement in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in future economic benefits expected to be obtained from the use of the item, the expenditure is capitalised as an additional cost of the item. When an item of property, plant and equipment is sold, its cost and accumulated depreciation are removed from the consolidated financial statements and any gain or loss resulting from the disposal, being the difference between the net disposal proceeds and the carrying amount of the asset, is included in the consolidated income statement.

Depreciation is provided on the straight-line method, based on the estimated economic useful life of the individual assets, as follows:-

Furniture, fixtures and office equipment	25% per annum

(f) Foreign Currency

Translation of foreign currency transactions

Foreign currency transactions are translated into Australian currency at the rates of exchange ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at the end of the reporting period are translated at the rates of exchange applicable on that date.

Exchange differences relating to amounts payable and receivable in foreign currencies are brought to account in the statement of comprehensive income in the financial year in which the exchange rates change, as exchange gains or losses.

Translation of accounts of overseas operations

All overseas operations are deemed self-sustaining as each is financially and operationally independent of the Company. The assets and liabilities of overseas operations are translated using the exchange rates ruling at the end of the reporting period. Income and expenses items are translated at the average rates for the year. Exchange differences arising, if any, are taken directly to the foreign currency translation reserve in consolidated equity.

(g) Income Tax

The charge for current year’s income tax is based on the results for the year as adjusted for items which are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

FOR THE YEAR ENDED 31 DECEMBER 2012

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES – CONTINUED

(h) Provisions

Employee Entitlements

The provision for employee entitlements relates to amounts expected to be paid to employees for long service and annual leave and is based on legal and contractual entitlements and assessments having regard to prior experience of staff departures and leave utilization.

Current wage rates are used in the calculation of the provisions.

Doubtful Debts

The collectability of debts is assessed at year end and specific provision is made for any doubtful accounts.

(i) Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

(i) on the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold; and

(ii) interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable.

(j) Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required other than financial assets, goodwill and non-current assets or a disposal group classified as held for sale, the recoverable amount of the asset is estimated. An asset's recoverable amount is the higher of the value in use of the asset or cash-generating unit to which it belongs and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued assets.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

FOR THE YEAR ENDED 31 DECEMBER 2012

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES – CONTINUED

(k) Financial instruments

Financial assets

The Group's principal financial assets are cash and bank balances.

Other investments, where the Group is not in a position to exercise significant influence or joint control, are stated at cost less impairment losses recognised, where the investment's carrying amount exceeds its estimated recoverable amount.

Assessment for impairment is undertaken at least at the end of each reporting period whether or not there is objective evidence that a financial asset or a group of financial assets is impaired. Impairment loss on loans and receivables is recognised when there is objective evidence that the Group will not be able to collect all the amounts due to it in accordance with the original terms of the receivables. The amount of the impairment loss is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Debt instruments issued which carry a right to convert to equity that is dependent on the outcome of uncertainties beyond the control of both the Group and the holder, are classified as liabilities except where the possibility of non-conversion is remote.

Significant financial liabilities include loan and advance from immediate holding company, trade and other payables and provisions.

Interest-bearing loans and bank overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Trade and other payables and provisions are stated at their nominal value.

(l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are charged to the consolidated income statement in the period in which they are incurred.

(m) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash and which were within three months of maturity when acquired, less advances from banks repayable within three months from the date of the advance.

FOR THE YEAR ENDED 31 DECEMBER 2012

2. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES – CONTINUED

(n) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group.

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3. REVENUE AND OPERATING LOSS

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Revenue				
Sales of goods and services	--	--	--	--
Other income				
Write-back of provisions	41,182	--	41,182	--
Write-back of debts due to dissolved controlled entity	--	--	4,478,837	--
	41,182	--	4,520,019	--
The operating loss is arrived at after charging:				
Expenses				
Staff costs	22,500	4,989	22,500	4,989

4. FINANCE COSTS

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Interest on interest-bearing liabilities	--	339,873	--	339,873

FOR THE YEAR ENDED 31 DECEMBER 2012

5. INCOME TAX

No provision for income tax has been provided in the financial statements since, in the opinion of the directors; the Company and its controlled entity did not derive any assessable profit from operating activities for the year.

Income tax is reconciled to the loss before income tax in the statement of comprehensive income as follows:

	CONSOLIDATED		COMPANY	
	2012 $	2011 $	2012 $	2011 $
(Loss)/profit before income tax	(143,328)	(409,208)	4,375,287	(409,208)
Tax at the Australian domestic income tax rate 30%	(42,998)	(122,762)	1,312,587	(122,762)
Tax effect of income that is non-assessable	--	--	(1,312,587)	--
Tax effect of expenses that are non-deductible	42,998	122,762	--	122,762
Income tax	--	--	--	--

6. DIVIDEND

The directors do not recommend any dividend for the current year and prior year.

7. LOAN TO CONTROLLED ENTITY

	CONSOLIDATED		COMPANY	
	2012 $	2011 $	2012 $	2011 $
Loan made to Omnitech Corporation Pty Ltd	--	--	54,900	--

The loan is unsecured, interest-free and repayable on demand.

FOR THE YEAR ENDED 31 DECEMBER 2012

8. INTERESTS IN CONTROLLED ENTITY AND OTHER INVESTMENTS

	CONSOLIDATED 2012 $	CONSOLIDATED 2011 $	COMPANY 2012 $	COMPANY 2011 $
Controlled entity				
Unlisted shares, at cost	--	--	100	1,480,000
Provision for impairment	--	--	--	(1,480,000)
	--	--	100	--
Listed shares				
Listed on prescribed stock exchange	--	181,175	--	--
Provision for impairment	--	(181,175)	--	--
	--	--	--	--
Total interests in controlled entity and other investments	--	--	100	--

Investments in controlled entity comprise:

Name of subsidiary	Place of incorporation/ operation	Principal activities	Beneficial percentage held by economic entity 2012 %	Beneficial percentage held by economic entity 2011 %	COMPANY Book value of investment 2012 $	COMPANY Book value of investment 2011 $
Omnitech Corporation Pty Ltd#	Australia/ Australia	Investment holding	100	--	100	--
Vector Capital Pty Limited*	Australia/ Australia	Investment holding	--	100	--	--
R&J Holdings Pty Limited**	Australia/ Australia	Investment holding	--	100	--	--

Omnitech Corporation Pty Ltd was incorporated on 19 July 2012. The company subscribed and fully paid for 100 ordinary shares at $1 each at par value to provide initial capital to the subsidiary.

* Vector Capital Pty Limited was deregistered on August 29, 2012.

** R&J Holdings Pty Ltd was deregistered on August 29, 2012.

The contributed equity of the controlled entity comprises ordinary shares.

	CONSOLIDATED 2012 $	CONSOLIDATED 2011 $
Contributions to consolidated results:		
Company	(103,550)	(409,208)
Controlled entity	(39,778)	--
Total as per consolidated statement of comprehensive income	(143,328)	(409,208)

FOR THE YEAR ENDED 31 DECEMBER 2012

9. PROPERTY, PLANT AND EQUIPMENT

	CONSOLIDATED Furniture, fixtures and office equipment	COMPANY
	$	$
Cost		
At 1 January 2011	--	--
Additions	--	--
At 31 December 2011 and 1 January 2012	--	--
Additions	1,350	--
At 31 December 2012	1,350	--
Accumulated Depreciation		
At 1 January 2011	--	--
Charge for the year	--	--
At 31 December 2011 and 1 January 2012	--	--
Charge for the year	337	--
At 31 December 2012	337	--
Net Book Value		
At 31 December 2012	1,013	--
At 31 December 2011	--	--

10. LOAN FROM IMMEDIATE HOLDING COMPANY

The loan from immediate holding company is unsecured, interest-free (carried interest at prime rate at 5% for the year ended 31 December 2011) and repayable on demand.

11. ADVANCE FROM IMMEDIATE HOLDING COMPANY

The amount due to immediate holding company is unsecured, interest-free, and repayable on demand.

12. PROVISIONS

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Employee entitlements	--	35,956	--	35,956
Others	22,410	34,020	22,410	34,020
	22,410	69,976	22,410	69,976

13. TRADE AND OTHER PAYABLES

	CONSOLIDATED 2012 $	CONSOLIDATED 2011 $	COMPANY 2012 $	COMPANY 2011 $
Amount due to dissolved controlled entity	--	--	--	4,905,654

The amount due to dissolved controlled entity was unsecured, interest-free and repayable on demand.

14. CONTRIBUTED EQUITY

	CONSOLIDATED AND COMPANY 2012 Number of shares	2011 Number of shares	2012 $	2011 $
(a) Authorised capital:				
Authorised ordinary shares	5,000,000,000	5,000,000,000	500,000,000	500,000,000
(b) Issued and paid up capital:				
Fully paid ordinary shares	65,489,391	49,489,391	5,108,936	4,948,936

15. RESERVES

	CONSOLIDATED 2012 $	CONSOLIDATED 2011 $	COMPANY 2012 $	COMPANY 2011 $
Share premium	7,501,560	7,421,560	7,501,560	7,421,560
Contributed surplus	6,247,781	2,322,758	6,247,781	6,247,781
Foreign currency translation reserve	(863,065)	(3,169,720)	(863,065)	(863,065)
Accumulated losses	(25,699,016)	(19,324,010)	(25,659,238)	(30,034,525)
Total reserves	(12,812,740)	(12,749,412)	(12,772,962)	(17,228,249)
Movements in reserves during the year were:				
Share premium:				
At beginning of year	7,421,560	7,421,560	7,421,560	7,421,560
Increase for new shares allotted	80,000	--	80,000	--
At end of year	7,501,560	7,421,560	7,501,560	7,421,560
Contributed surplus:				
At beginning and end of year	2,322,758	2,322,758	6,247,781	6,247,781
Deregistration of controlled entities	3,925,023	--	--	--
At end of year	6,247,781	2,322,758	6,247,781	6,247,781

FOR THE YEAR ENDED 31 DECEMBER 2012

15. RESERVES - CONTINUED

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Foreign currency translation reserve:				
At beginning of year	(3,169,720)	(3,131,290)	(863,065)	(826,492)
Deregistration of controlled entities	2,306,655	--	--	--
Loss on translation of foreign operations	--	(38,430)	--	(36,573)
At end of year	(863,065)	(3,169,720)	(863,065)	(863,065)
Accumulated losses:				
At beginning of year	(19,324,010)	(18,914,802)	(30,034,525)	(29,625,317)
Net (loss)/profit for the year attributable to owner of the parent	(143,328)	(409,208)	4,375,287	(409,208)
Deregistration of controlled entities	(6,231,678)	--	--	--
At end of year	(25,699,016)	(19,324,010)	(25,659,238)	(30,034,525)

16. DIRECTORS' EMOLUMENTS

Amounts received or due and receivable by the directors of the Company and related bodies corporate are as follow:

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Current year provision	22,500	4,989	22,500	4,989
	22,500	4,989	22,500	4,989

Number of directors whose remuneration falls within the following bands:

	2012 Number	2011 Number
$1,000 - $19,999	--	1
$20,000 - $29,999	1	--

17. REMUNERATION OF AUDITORS

The following total remuneration was received by the auditors of the consolidated entity for audit services provided:

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Current year provision	22,410	17,162	22,410	17,162
	22,410	17,162	22,410	17,162

18. SEGMENT INFORMATION

Business segments

No analysis of segment information by business segment and geographical segment is presented as the Group has ceased trading.

19. RELATED PARTY INFORMATION

(a) Directors

The aggregate number of shares and options held by the directors of the Company and their related entities during the year and to the date of this report in the Company were:

	2012 Number	2011 Number
Ordinary shares		
Arthur Sturgess	--	1,279,089
Kwok Tak Pui Thomas	--	--
Suen Ho Woon Geoffrey	--	--
Wong Yeok Yan	--	--
He Yuan Qing	--	--
Chong Wing Onn	--	--
Ye Dongmei	--	--
Options		
Arthur Sturgess	--	--
Kwok Tak Pui Thomas	--	--
Suen Ho Woon Geoffrey	--	--
Wong Yeok Yan	--	--
Wong Kin Chi	--	--
He Yuan Qing	--	--
Chong Wing Onn	--	--

During the year no entities within the Group were provided with any related party services.

(b) There have been no other transactions concerning shares or share options between entities in the reporting entity and directors of the reporting entity or their related entities.

(c) Wholly owned controlled entity
Details of interests in controlled entity are set out in Note 8 to the financial statements.

(d) The Group had the following transactions with immediate holding company during the year:

	CONSOLIDATED AND COMPANY	
	2012 $	2011 $
Interest payable to Treasure Unicorn Limited	--	339,873

(e) The Group paid to management personnel as follows:-

	CONSOLIDATED		COMPANY	
	2012 $	2011 $	2012 $	2011 $
Short term employee benefits	22,500	4,989	22,500	4,989

FOR THE YEAR ENDED 31 DECEMBER 2012

20. CASH FLOW INFORMATION

(a) Reconciliation of Cash

Cash and cash equivalents include cash and bank balances.

(b) Reconciliation of loss before income tax to cash flows from operating activities

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
(Loss)/profit before income tax	(143,328)	(409,208)	4,375,287	(409,208)
Depreciation	337			
Interest expenses	--	339,873	--	339,873
Write-back of debts due to dissolved controlled entity			(4,478,837)	
Write-back of provisions	(41,182)	--	(41,182)	--
Operating cash flows before movements in working capital	(184,173)	(69,335)	(144,732)	(69,335)
Decrease/(increase) in prepayments and deposits	5,456	(12,664)	8,997	(12,664)
(Decrease) in trade and other payables and provisions	(6,384)	(8,800)	(6,384)	(8,800)
Net cash used in operating activities	(185,101)	(90,799)	(142,119)	(90,799)

21. LOSS PER SHARE

	CONSOLIDATED	
	2012	2011
	$	$
The calculation of the basic and diluted loss per share is based on the following data:		
Loss for the purposes of basic and diluted loss per share	(143,328)	(409,208)

	2012	2011
Number of shares	Number	Number
Weighted average number of ordinary shares for the purposes of basic loss per share	65,489,391	49,489,391
Weighted average number of ordinary shares for the purposes of diluted loss per share	65,489,391	49,489,391

No diluted loss per share is presented for the year as there were no dilutive potential ordinary shares in existence.

22. OPERATING LEASE COMMITMENTS

At 31 December 2012, the group had minimum outstanding commitments under non-cancellable operating leases in respect of land and buildings which fall due as follows:

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Within one year	16,875	--	--	--
In the second and fifth years, inclusive	--	--	--	--
	16,875	--	--	--

23. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's principal financial instruments comprise loan and advance from immediate holding company and cash and bank balances. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and other payables, which arise directly from its operations.

The carrying amounts of each of the categories of financial instruments at the end of the reporting period are as follows:-

Financial assets – loans and receivables

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Cash and bank balances	80,386	657	69,719	657
Loan to controlled entity	--	--	54,900	--
	80,386	657	124,619	657

Financial liabilities at amortised cost

	CONSOLIDATED		COMPANY	
	2012	2011	2012	2011
	$	$	$	$
Loan from immediate holding company	7,592,407	7,592,407	7,592,407	7,165,590
Advance from immediate holding company	188,065	161,885	188,065	161,885
Provisions	22,410	69,976	22,410	69,976
Trade and other payables	--	--	--	4,905,654
	7,802,882	7,824,268	7,802,882	12,303,105

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are fair value and cash flow interest rate risk, foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below. The Group's accounting policies in relation to derivatives are set in note 2(k) to the consolidated financial statements.

(a) Fair value and cash flow interest rate risks

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's is not expected to have any significant interest rate risks as the Group has no interest bearing assets and liabilities, except for the bank balances which generate minimal interest income as at the end of the reporting period.

(b) Foreign currency risk

Most of the Group's monetary assets and liabilities are denominated in Hong Kong dollars, and the Group conducted its business transactions principally in Hong Kong dollars. The exchange rate risk of the Group is not significant.

23. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES - CONTINUED

(c) Liquidity risk

The Group's objective is to maintain a balance between the continuity of funding and the flexibility through the use of bank overdrafts and bank loans. The maturity profile of the Group's and Company's financial liabilities at the end of the reporting period, based on the contractual undiscounted payments, is as follows:-

Group		2012			2011	
	On demand	Over 1 year	Total	On demand	Over 1 year	Total
	$	$	$	$	$	$
Loan from immediate holding company	7,592,407	--	7,592,407	7,592,407	--	7,592,407
Advance from immediate holding company	188,065	--	188,065	161,885	--	161,885
Provisions	22,410	--	22,410	69,976	--	69,976
	7,802,882	--	7,802,882	7,824,268	--	7,824,268

Company		2012			2011	
	On demand	Over 1 year	Total	On demand	Over 1 year	Total
	$	$	$	$	$	$
Loan from immediate holding company	7,592,407	--	7,592,407	7,165,590	--	7,165,590
Advance from immediate holding company	188,065	--	188,065	161,885	--	161,885
Provisions	22,410	--	22,410	69,976	--	69,976
Trade and other payables	--	--	--	--	4,905,654	4,905,654
	7,802,882	--	7,802,882	7,397,451	4,905,654	12,303,105

24. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to the Company's shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the years ended 31 December 2012 and 2011.

FOR THE YEAR ENDED 31 DECEMBER 2012

25. IMPACT OF ISSUED BUT NOT YET EFFECTIVE INTERNATIONAL FINANCIAL REPORTING STANDARDS

The International Accounting Standards Board ("IASB") has issued the following amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2012 and which have not been early adopted by the Group:-

		Effective for annual reporting periods beginning on or after
IAS 1 Amendment	Presentation of Items of Other Comprehensive Income	1 July 2012
IAS 19 (2011)	Employee Benefits	1 January 2013
IAS 27 (2011)	Separate Financial Statements	1 January 2013
IAS 28 (2011)	Investments in Associates and Joint Ventures	1 January 2013
IAS 32 Amendment	Presentation - Offsetting Financial Assets and Financial Liabilities	1 January 2014
IFRS 1 Amendment	Government Loans	1 January 2013
Amendments to IFRS	Annual Improvements to IFRS 2009-2011 Cycle	1 January 2013
IFRS 7 Amendment	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
IFRS 9	Financial Instruments	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

The Group has already commenced an assessment of the related impact of adopting the above new standards and amendments to standards in the period of initial application. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

FOR THE YEAR ENDED 31 DECEMBER 2012

26. SUBSEQUENT EVENTS

On 28 February 2013, the Company entered into a loan agreement with a shareholder for a loan from the shareholder of A$800,000. The terms of this loan are unsecured, interest bearing at 0.6% per month and repayable on or before February 28, 2015. The outstanding loan balance plus the associated interest payable can be repaid either in cash or can be converted into shares at a price of 30-day volume-weighted average price in the period up to one trading day immediately prior to the maturity date.

In order to develop the business opportunities with high-growth potential, on 28 February 2013, the Company also entered into a share sale agreement with a third party for the acquisition of a wholly owned subsidiary, APEC Coal Pty Limited, an Australian company, at a consideration of A$300,000. This newly acquired subsidiary only holds granted coal mining tenements in Australia. No income was generated by this subsidiary since its incorporation. The loss of this subsidiary for the year of 2012 amounted to $230. In order to initiate the re-instatement of the trading of securities in ASX and as the time constraint is limited, the board of directors complete the sale agreement without performing the due diligence exercise. Such acquisition was then completed on 8 March, 2013.

	$	$
Consideration paid for acquisition		300,000
Less: Fair value of APEC Coal Pty Ltd as at 8 March , 2013		
Assets and liabilities		
Non-current assets		
Capitalised Exploration Costs		
Exploration Costs – Pre-Development	53,582	
Purchase of Tenements WA	200,000	
Deposit bond	5,000	
Net Assets		(258,582)
Goodwill recognized from the consideration		41,418

No receivables or gross contractual amount of the receivables or the best estimate of the contractual cash flows not expected to be collected from this acquired subsidiary on the completion date.

No revenue and profit or loss of the combined entity was taken up in the current reporting period. The directors of the Company were not aware of any material contingent liabilities expected for the acquisition.

27. IMMEDIATE HOLDING COMPANY AND ULTIMATE CONTROLLING PARTY

The Company's immediate holding company is Treasure Unicorn Limited, which is incorporated in the British Virgin Islands. In the opinion of the Directors, the ultimate controlling party of the Company is Forever New Limited, which is incorporated in the British Virgin Islands.

28. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 28 March 2013.

DIRECTORS' DECLARATION

The Directors declare that the financial statements and notes set out on pages 12 to 33:

(a) give a true and fair view of the Company's and consolidated entity's statements of financial position as at 31 December 2012 and of their statements of comprehensive income, as represented by the results of their operations and their cash flows, for the financial year ended on that date; and

(b) have been prepared in accordance with International Financial Reporting Standards.

In the opinion of the Directors:

(a) The statement of comprehensive income is drawn up so as to give a true and fair view of the result of the Company for the year ended 31 December 2012.

(b) The statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2012.

(c) At the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

He Yuan Qing
Chairman

Chong Wing Onn
Executive Director

Hong Kong
28 March, 2013

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
OMNITECH HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)

MOORE STEPHENS
CERTIFIED PUBLIC ACCOUNTANTS

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We have audited the consolidated financial statements of Omnitech Holdings Limited (the "Company") and its subsidiary (collectively referred to as the "Group") set out on pages 12 to 33, which comprise the consolidated and company statements of financial position as at 31 December 2012, and the consolidated and company income statements, the statements of comprehensive income, the statements of changes in shareholders' deficiency and the statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2012, and of the loss and cash flows of the Company and of the Group for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to note 2 (b) to the financial statements which indicates that the consolidated financial statements for the year ended 31 December 2012 have been prepared on a non-going concern basis with assets stated at recoverable amounts because the Group had ceased trading in a prior year. We consider that appropriate disclosures have been made in the consolidated financial statements and our opinion is not qualified in this respect. We also draw attention to ASX Listing Rule 12.1 which requires that the level of operations must, in ASX's opinion, be sufficient to warrant the continued quotation of the Company's securities and its continued listing. The Company failed to demonstrate its compliance with Listing Rule 12.1 by 31 July 2009 and ASX suspended the Company's securities from official quotation as from 1 August 2009.

Moore Stephens
Certified Public Accountants
Hong Kong

28 March 2013

SHAREHOLDERS' REPORT

(Pursuant to the Listing Rules of the Australian Stock Exchange Limited)

1. Substantial shareholders
   Substantial shareholder in the Company at the date of the report is set out below: -

Name	Number of ordinary shares held (directly and indirectly)	Percentage of issued capital
Treasure Unicorn Limited	39,405,072	60.17

2. Distribution of fully paid ordinary Shares as at 28 February 2013

Range of shareholdings			Number of Shareholders	Units	Percentage of issued capital
1	—	1,000	506	212,431	0.32
1,001	—	5,000	180	416,545	0.64
5,001	—	10,000	42	325,815	0.50
10,001	—	100,000	65	1,708,743	2.61
100,001	and	over	17	62,825,857	95.93
			810	65,489,391	100.00

3. Voting rights

   Each shareholder is entitled to one vote per ordinary share.

4. The Company is incorporated in Bermuda and is not regulated in respect of Chapters 6, 6A, 6B and 6C of the Australian Corporations Act dealing with the acquisition of shares (including substantial shareholdings and takeovers). There is no limitation on the acquisition of securities imposed by the jurisdiction in which the Company is incorporated.

(Pursuant to the Listing Rules of the Australian Stock Exchange Limited)

5. Top twenty shareholders (as at 28 February, 2013)

Name		Number of fully paid ordinary shares held	Percentage of issued capital
1.	Treasure Unicorn Limited	39,405,072	60.17
2.	Start Link Investments Limited	8,000,000	12.22
3.	Supermax Group Limited	2,800,000	4.28
4.	Eagle Merit Investments Limited	2,600,000	3.97
5.	Mile Ocean Limited	2,600,000	3.97
6.	Edgefield International Limited	1,815,000	2.77
7.	Mr. Calvin Au	1,610,000	2.46
8.	Mr. Souhail Imam	820,000	1.25
9.	Jackpot Pty Ltd	781,018	1.19
10.	HSBC Custody Nominees (Australia) Limited	745,858	1.14
11.	Mr. Trevor Neil Hay	482,243	0.74
12.	Gazump Resources Pty Ltd	460,000	0.70
13.	Mr. William John Arthur	203,716	0.31
14.	Donnor Pty Ltd	163,000	0.25
15.	Million Pacific Inc	141,768	0.22
16.	Mrs. Soo Fong Choi	115,000	0.18
17.	Zenith Equity Corporation	114,950	0.18
18.	Mr. Graham John Nicolson	110,000	0.17
19.	Berne No. 132 Nominees Pty Ltd	100,000	0.15
20.	Mr. Arthur Chan	51,000	0.08

6. Register of securities are kept at the following addresses:

Australia

Computershare Investor Services Pty Ltd

Level 3, 60 Carrington Street

Sydney, NSW 2000

Australia

Bermuda

Butterfield Corporate Services Ltd

The Rosebank Centre

14 Bermudiana Road

Pembroke HM08

Bermuda

7. Ordinary shareholders - enquiries

Ordinary shareholders with enquiries about their shareholdings should contact Omnitech Holdings Limited ordinary shares register, Computershare Investor Services Pty Limited by telephone on 1300 855 080 (within Australia) or (613) 9415 4000 (outside Australia) or by facsimile (612) 8234 5050.

8. Trading symbol

The trading symbol for the ordinary shares listed on the Australian Stock Exchange is "OHL" and the market call code is '6099'.

OMNITECH

Omnitech Holdings Limited

(Incorporated in Bermuda with limited liability)

ARBN 007 559 55