

# APPENDIX 4D

## HALF YEAR REPORT

Name of entity

IATIA LTD

ABN or equivalent company  
reference

27 091 608 025

Half year ended

31 December 2012

### Results for announcement to the market

*Dec 2012   Dec2011*

Revenue	Down 100%	to	-	104
Profit/(loss) from ordinary activities after tax attributable to members	Down 6%	to	(200,962)	(189,932)
Net profit/(loss) for the period attributable to members	Down 6%	to	(200,962)	(189,932)

<b>Dividends (distributions)</b>	Amount per security	Franked amount per security
Interim dividend	<b>NIL ¢</b>	<b>NIL ¢</b>

<b>NTA Backing</b>	31 December 2012	31 December 2011
	\$	\$
Net tangible asset backing per ordinary share	-	-

<sup>+</sup>Record date for determining entitlements to the dividend

N/A

### Explanation of information reported

This report is based on the attached financial report which has been independently reviewed. The attached financial report is not subject to a qualified review statement.



IATIA  
VISION SCIENCES

# Financial Report

for the half-year ended 31 December 2012

## Corporate Information

Iatia Limited (ASX:IAT) is based in Melbourne, Australia, and listed on the Australian Stock Exchange (ASX). Iatia's shares have been suspended from trading on the ASX since 18 January 2010.

### Registered office

Level 9, 169 Queen Street  
Melbourne, Victoria, 3000  
Australia

### Auditors

RSM Bird Cameron Partners  
Level 8  
The Rialto, 525 Collins Street  
Melbourne, Victoria, 3000  
Australia

### Share register

Computershare Investor Services Pty Ltd  
Yarra Falls  
452 Johnston Street  
Abbotsford, Victoria, 3067  
Australia



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## Results for announcement to the market

### Results for announcement to the market

				2012 \$	2011 \$
Revenue from ordinary activities	Down	100%	to	-	104
Profit/(loss) from ordinary activities after tax attributable to members	Down	6%	to	(200,962)	(189,932)
Profit/(loss) for the period attributable to members	Down	6%	to	(200,962)	(189,932)

No dividends were paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the half-year ended 31 December 2012.

## Directors' report

Your directors are pleased to present their report on Iatia Limited for the half-year ended 31 December 2012.

### Directors

The following persons were directors of Iatia Limited during the whole of the half-year and up to the date of this report:

Jin Zhe Jia (Chairman, appointed 10 July 2012)

Kee Guan Saw

Gavin Boyd

Paul Zhi Ren Deng (resigned 10 July 2012)

### Review and results of operations

Iatia Limited (Iatia), with support of Victoria Property & Investment Group Pty Ltd (Victoria Property), is actively seeking to acquire a new business project. On 18 December 2012 Iatia announced it has entered into a Share Sale Agreement with Innotech Group Limited (Innotech), in relation to the Company's acquisition of 100% of the issued share capital in a Hong Kong company, Onwide (H.K.) Investment Group Limited (Onwide) from Innotech (Onwide Acquisition). Onwide focuses on the real estate and education industries in the People's Republic of China. In connection with, and in addition to the Onwide Acquisition, the Company is proposing to undertake a public share offer (Capital Raising) for the primary purpose of raising working capital for the Company going forward and to demonstrate sufficient spread requirements to enable the Company to apply for re-quotations of its shares on the ASX following completion of the Onwide Acquisition.

### **Significant events after balance date**

No matters or circumstances have arisen since the balance date of this report which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

### **Auditor's independence declaration**

The auditor's independence declaration is included on page 3 of this half-year financial report.

Signed in accordance with a resolution of the directors,



**Kee Guan Saw**

**Director**

**Melbourne, 27 February 2013**



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### **AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Iatia Limited for the half year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

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



**RSM BIRD CAMERON PARTNERS**



**R B MIANO**  
Partner

Melbourne, Victoria  
Dated: 27 February 2013

## Statement of comprehensive income

for the half-year ended 31 December 2012

	Note	Dec-12 \$	Dec-11 \$
Revenue from continuing operations	2	-	104
Business acquisition cost	3	(134,414)	-
Employee benefits expense		(11,778)	(8,083)
Finance costs		(681)	(40,184)
Insurance expenses		(17,942)	(12,608)
Professional fees		(13,800)	(95,204)
Share registry expenses		(29,017)	(23,722)
Travel expenses		-	(4,304)
Other expenses		6,670	(5,931)
<b>Profit/(Loss) from continuing operations before income tax benefit</b>		<b>(200,962)</b>	<b>(189,932)</b>
Income tax benefit		-	-
<b>Profit/(Loss) from continuing operations</b>		<b>(200,962)</b>	<b>(189,932)</b>
Profit/(Loss) from discontinued operations		-	-
<b>Profit/(Loss) for the half-year</b>		<b>(200,962)</b>	<b>(189,932)</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the half-year</b>		<b>(200,962)</b>	<b>(189,932)</b>
Basic earnings per share (cents per share)		(0.02)	(0.02)
Diluted earnings per share (cents per share)		(0.02)	(0.02)

The above statement of comprehensive income is to be read in conjunction with the accompanying notes.

## Statement of financial position

as at 31 December 2012

	Note	Dec 2012 \$	Jun 2012 \$
<b>Current assets</b>			
Cash and cash equivalents		200,856	363,402
Trade and other receivables	4	11,472	8,308
Capital raising prepayments		91,841	89,700
Other current assets		67,475	39,006
<b>Total current assets</b>		<u>371,644</u>	<u>500,416</u>
<b>Total assets</b>		<u>371,644</u>	<u>500,416</u>
<b>Current liabilities</b>			
Trade and other payables		183,029	99,291
Borrowings	5	697,589	709,137
Provisions		-	-
<b>Total current liabilities</b>		<u>880,618</u>	<u>808,428</u>
<b>Total liabilities</b>		<u>880,618</u>	<u>808,428</u>
<b>Net assets</b>		<u>(508,974)</u>	<u>(308,012)</u>
<b>Equity</b>			
Contributed equity		16,791,001	16,791,001
Reserves		99,474	99,474
Accumulated losses		(17,399,449)	(17,198,487)
Total parent entity interest in equity		<u>(508,974)</u>	<u>(308,012)</u>
<b>Total equity</b>		<u>(508,974)</u>	<u>(308,012)</u>

The above statement of financial position is to be read in conjunction with the accompanying notes.

## Statement of changes in equity

for the half-year ended 31 December 2012

	Contributed equity \$	Equity component of convertible notes \$	Accumulated losses \$	Total \$
<b>Balance at 1 July 2011</b>	<b>16,791,001</b>	<b>99,474</b>	<b>(16,855,290)</b>	<b>35,185</b>
<b>Transactions with equity holders in their capacity as equity holders</b>				
Issue of share capital	-	-	-	-
Cancellation of convertible notes	-	-	-	-
Share based payments	-	-	-	-
	16,791,001	99,474	(16,855,290)	35,185
<b>Total recognised gains and losses for the year</b>				
Loss for the period	-	-	(189,932)	(189,932)
	-	-	-	-
<b>Balance at 31 December 2011</b>	<b>16,791,001</b>	<b>99,474</b>	<b>(17,045,222)</b>	<b>(154,747)</b>
<b>Balance at 1 July 2012</b>	<b>16,791,001</b>	<b>99,474</b>	<b>(17,198,487)</b>	<b>(308,012)</b>
<b>Transactions with equity holders in their capacity as equity holders</b>				
Issue of share capital	-	-	-	-
Cancellation of convertible notes	-	-	-	-
Share based payments	-	-	-	-
	16,791,001	99,474	(17,198,487)	(308,012)
<b>Total recognised gains and losses for the year</b>				
Loss for the period	-	-	(200,962)	(200,962)
	-	-	-	-
<b>Balance at 31 December 2012</b>	<b>16,791,001</b>	<b>99,474</b>	<b>(17,399,449)</b>	<b>(508,974)</b>

The above statement of cash flows is to be read in conjunction with the accompanying notes.

## Statement of cash flows

for the half-year ended 31 December 2012

Note	Dec 2012 \$	Dec 2011 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	-	-
Government grants	-	-
Payments to suppliers and employees	(89,334)	(283,176)
Interest received	-	104
Tax rebates received	-	-
Borrowing costs	(858)	(941)
<b>Net cash flows (used in)/provided by operating activities</b>	<b>(90,192)</b>	<b>(284,013)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of equipment	-	-
Payments for property, plant and equipment	-	-
Payments for intangibles	-	-
Loans from/(to) subsidiaries	-	-
Business acquisition expenses	(63,198)	-
<b>Net cash flows (used in)/provided by investing activities</b>	<b>(63,198)</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of ordinary shares	-	550,000
Proceeds from borrowings	-	255,000
Repayments of borrowings	-	(395,016)
Payment for convertible notes cancellation	-	(39,687)
Capital Raising Expenses	(9,156)	-
<b>Net cash flows (used in)/provided by financing activities</b>	<b>(9,156)</b>	<b>370,297</b>
<b>Net increase/(decrease) in cash held</b>	<b>(162,546)</b>	<b>86,284</b>
Add opening cash brought forward	363,402	12,038
<b>Closing cash carried forward</b>	<b>200,856</b>	<b>98,322</b>

The above statement of cash flows is to be read in conjunction with the accompanying notes.

# Notes to the financial statements

## for the half-year ended 31 December 2012

### 1. a. Basis of preparation of the half-year report

This general purpose financial report for the interim half-year reporting period ended 31 December 2012 has been prepared in accordance with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Act 2001.

This interim financial report does not include all the notes of the type normally included in the annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2012 and any public announcements made by latia Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim accounting period.

### b. Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the company incurred a loss of \$200,962 and had net cash outflows from operating activities of \$90,192 for the half-year ended 31 December 2012. As at that date the company had net current liabilities and net liabilities of \$508,974.

These factors indicate significant uncertainty as to whether the company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the company will be able to continue as a going concern after consideration of the following factors:

- One of the company's major shareholders, Victoria Property and Investment Group Pty Ltd ("Victoria Property"), has affirmed that the loan payable to Victoria Property and disclosed in note 5, is not required to be repaid until such time as latia has sufficient cash flow to meet its debts as and when they fall due.
- The company's acquisition target, Onwide (H.K.) Investment Group Ltd ("Onwide") has affirmed that the loan payable to Onwide and disclosed in note 5, is not required to be repaid until such time as latia has sufficient cash flow to meet its debts as and when they fall due.
- The directors have commenced their business plan to raise capital through new and existing shareholders with the aim of finalising the acquisition of Onwide which is a property development company with a project in mainland China. The directors are confident of completing the fund raising within the next six months.

Accordingly, the Directors believe that the company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the company does not continue as a going concern.

	Dec 2012	Dec 2011
	\$	\$
<b>2. Revenue</b>		
<b>Revenue from continuing operations</b>		
Interest - unrelated parties	-	104
<b>Total revenue from continuing operations</b>	<u>-</u>	<u>104</u>

### 3. Business acquisition transaction

On 18 December 2012 latia announced it has entered into a Share Sale Agreement with Innotech Group Limited (Innotech), in relation to the Company's acquisition of 100% of the issued share capital in a Hong Kong company, Onwide (H.K.) Investment Group Limited (Onwide) from Innotech. Among other conditions, the acquisition will be dependent on the matter of the company's public share offer (capital raising). For the half-year end 31 December 2012, the company had incurred \$134,414 of business acquisition expenses.

	Dec 2012	Jun 2012
	\$	\$
<b>4. Trade and other receivables</b>		
<b>Current</b>		
GST receivable	11,472	8,308
	11,472	8,308

(a) Trade debtors are non-interest bearing and generally on 30 day terms.

<b>5. Borrowings</b>		
<b>Current</b>		
Insurance finance - unsecured	-	11,548
Loans from Ex-Director	5,365	5,365
Loans from major shareholder	254,774	254,774
Loans from funding arrangement	437,450	437,450
	697,589	709,137

Loans from Directors and executives are unsecured and interest free.

Victoria Property & Investment Group Pty Ltd provided latia \$255,000 unsecured and interest free loan for its working capital in 2011.

Onwide (H.K.) Investment Group Limited provided latia \$500,000 unsecured and interest free loan for its working capital in May 2012.

#### 6. Net tangible assets per security

Net tangible assets backing per ordinary share	(0.01)c	(0.01)c
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#### 7. Segment reporting

The financial information reviewed by the Chief Executive Officer is only prepared on an entity-wide basis and no discrete financial information is available. Hence there is no business segment and no segment information is presented.

#### 8. Contingent liabilities

There have been no changes in contingent liabilities or contingent assets since the end of the previous financial reporting period, 30 June 2012.

#### 9. Subsequent events

No matters or circumstances have arisen since the balance date of this report which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in future financial years.

## Directors' declaration

The directors of Iatia Limited declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes, are in accordance with the Corporations Act 2001 and:
  - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
  - (b) give a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the half year ended on that date.
2. In the directors' opinion, there are reasonable grounds to 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 and is signed for and on behalf of the directors by:

On behalf of the directors,



**Kee Guan Saw**

**Director**

**Melbourne, 27 February 2013**

## **INDEPENDENT AUDITOR'S REVIEW REPORT**

### **TO THE MEMBERS OF**

### **IATIA LIMITED**

#### **Report on the Half-Year Financial Report**

We have reviewed the accompanying half-year financial report of Iatia Limited which comprises the condensed statement of financial position as at 31 December 2012, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the company.

#### *Directors' Responsibility for the Half-Year Financial Report*

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

#### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Iatia Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

#### *Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Iatia Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

*Conclusion*

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

- (a) giving a true and fair view of the company's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

*Emphasis of Matter*

Without qualifying our conclusion, we draw attention to Note 1(b) in the financial report which refers to the significant net liability position, operating losses and the reliance of the company on the continued support of one of the company's major shareholders and the company's acquisition target to enable the company to meet its debts as and when they fall due. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and, therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.



**RSM BIRD CAMERON PARTNERS**



**R B MIANO**  
Partner

Melbourne, Victoria  
Dated: 28 February 2013