

**ATF GROUP (PDF) LIMITED AND  
CONTROLLED ENTITY  
ABN: 80 106 213 772**

**FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2009**

This half-year financial report is to be read  
in conjunction with the financial report for  
the year ended 30 June 2009

**ATF GROUP (PDF) LIMITED AND CONTROLLED ENTITY  
FINANCIAL REPORT FOR THE HALF-YEAR ENDED  
31 DECEMBER 2009**

**TABLE OF CONTENTS**

	<b>Page</b>
Director's Report	<b>3 - 4</b>
Auditor's Independence Declaration	<b>5</b>
Financial Report for the half year ended 31 December 2009	
Condensed Consolidated Statement of Comprehensive Income	<b>6</b>
Condensed Consolidated Statement of Financial Position	<b>7</b>
Condensed Consolidated Statement of Changes in Equity	<b>8</b>
Condensed Consolidated Statement of Cash Flows	<b>9</b>
Notes to the Financial Statements	<b>10 - 13</b>
Directors' Declaration	<b>14</b>
Independent Auditor's Review Report	<b>15 - 16</b>

**ATF GROUP (PDF) LIMITED  
AND CONTROLLED ENTITY**

**DIRECTORS' REPORT**

The directors present their report together with the condensed financial report of the consolidated entity consisting of ATF Group (PDF) Limited and the entity it controlled, for the half-year ended 31 December 2009 and independent auditor's review report thereon. This report has been prepared in accordance with Australian equivalents of International Financial Reporting Standards.

**Directors Names**

The names of the director in office at any time during or since the end of the half-year are:

<b>Name</b>	<b>Period of Directorship</b>
Raymond Schinazi	Appointed 3 August 2007
Jon Lamb	Appointed 7 November 2007
Bernie Romanin	Appointed 30 May 2008
J A Wigginton	Appointed 28 May 2007, Resigned 3 August 2007, Reappointed 7 September 2007, Retired November 2009

The directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

**Review of Operations**

The consolidated loss of the group for the half-year after providing for income tax amounted to \$379,784. During the period the company issued 352,000 shares and cancelled 18,281,892 shares.

**Significant Changes in the State of Affairs**

There have been no significant changes in the consolidated group/company's state of affairs during the financial year.

**After Balance Date Events**

Evivar Medical Pty Ltd continues to seek to license those entities that are involved with the Hep B virus. Evivar is in negotiation with clinics in Switzerland and Austria and has also commenced discussions with a major group in Beijing. China has the largest infection rate of Hep B in the world with approximately 170 million chronically infected sufferers registered out of the total world number of 350 million.

Evivar continues to build its strategic alliance with ABL. With its clinic management system, TherapyEdge, and its diagnostic tool for HIV, ABL is an ideal partner for Evivar and its Hep B diagnostic tool. ABL has an established distribution network in South Africa and is the exclusive gate keeper for PEPFAR, the US\$32 billion USA president's emergency fund for HIV drugs.

**ATF GROUP (PDF) LIMITED  
AND CONTROLLED ENTITY**

**DIRECTORS' REPORT**

With co-infection occurring with HIV sufferers now contracting Hep B in increasing numbers, it is probable that PEPFAR will through the ABL system fund drugs for Hep B. ABL already have a number of license agreements with major Pharma companies and, through their network in Europe and North America, Evivar will seek to increase its distribution network in these territories. We also intend to partner with ABL to identify natural buyers for our IP with this process commencing sometime in 2010.

There are two more key diagnostics players to license to complete the top tier of global licensees. Thereafter Evivar will focus on the second tier players and on Asia over the next 12 months as this region is experiencing the highest increase in the incidence of Hep B infection.

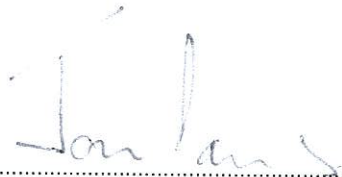
ATF has entered into a Heads of Agreement with Melbourne Health and associated parties which, subject to completion of formal documentation and final approval of the respective boards of ATF and Melbourne Health, will result in the following:

- the buy back by Evivar Medical Pty Ltd (Evivar) of Melbourne Health's shareholding for a cash consideration of \$3.0 million (to be paid by installments to 30 June 2012), with the result that Evivar will become a wholly owned subsidiary of ATF;
- the establishment by ATF of a new entity to acquire from Melbourne Health (and its collaborating partners) the intellectual property underpinning the SeqHepB System and other intellectual property relevant to the development of other diagnostic tools for blood born diseases for \$4.648 million; and
- Melbourne Health (and its collaborating partners) subscribing for 17,218,055 shares in ATF at \$0.27 per share.

**Auditor's Declaration**

A copy of the auditor's declaration as required under section 307C of the Corporation Act 2001 in relation to the review for the half-year is provided with this report.

Signed in accordance with a resolution of the directors:



.....  
Jon Lamb  
Director

Dated this 17 day of March 2010

## AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of ATF Group (PDF) Limited

In relation to the half- year independent review for the half year ended 31 December 2009,  
to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*.
- (ii) No contraventions of any applicable code of professional conduct.



M W PRINGLE  
Partner

Date **23** March 2010



PITCHER PARTNERS  
Melbourne

ATF GROUP (PDF) LIMITED  
AND CONTROLLED ENTITY  
ABN: 80 106 213 772

---

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	Note	31 Dec 2009	31 Dec 2008
		\$	\$
Revenue			
Sales revenue		-	12,500
Other income		27,035	4,167
		27,035	16,667
Management Fees		-	-
Depreciation and amortisation		2,702	9,437
Professional Fees		166,298	430,239
Travel expenses		56,852	61,551
Finance costs		51,320	3,749
Other expenses		129,647	148,396
Provision for non-recoverable loans		-	243,558
Loss on disposal of plant and equipment		-	52,596
		406,819	949,526
<b>Loss before income tax</b>		<b>(379,784)</b>	<b>(932,859)</b>
Income tax expense		-	-
<b>Loss from continuing operations</b>		<b>(379,784)</b>	<b>(932,859)</b>

The accompanying notes form part of these financial statements.

**ATF GROUP (PDF) LIMITED  
AND CONTROLLED ENTITY  
ABN: 80 106 213 772**

**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2009**

	Notes	31 Dec 2009	30 June 2009
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		99,643	673,826
Other current assets		-	5,000
<b>TOTAL CURRENT ASSETS</b>		<u>99,643</u>	<u>678,826</u>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	7	4,096,355	4,196,355
Property, plant and equipment		30,895	33,598
Other non-current assets		217,217	27,492
<b>TOTAL NON-CURRENT ASSETS</b>		<u>4,344,467</u>	<u>4,257,445</u>
<b>TOTAL ASSETS</b>		<u>4,444,110</u>	<u>4,936,271</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		403,555	627,562
Short Term Borrowings	8	1,245,370	-
<b>TOTAL CURRENT LIABILITIES</b>		<u>1,648,925</u>	<u>627,562</u>
<b>TOTAL LIABILITIES</b>		<u>1,648,925</u>	<u>627,562</u>
<b>NET ASSETS</b>		<u>2,795,185</u>	<u>4,308,709</u>
<b>EQUITY</b>			
Share capital	9	10,926,444	12,060,185
Accumulated Losses		(8,131,259)	(7,751,476)
<b>TOTAL EQUITY</b>		<u>2,795,185</u>	<u>4,308,709</u>

The accompanying notes form part of these financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	<b>31 Dec 2009</b>	<b>31 Dec 2008</b>
	\$	\$
<b>TOTAL EQUITY AT THE BEGINNING OF THE HALF-YEAR</b>	4,308,709	3,750,396
Share based payments	-	120,000
<b>Net income recognised directly in equity</b>	-	120,000
<b>Loss for the half-year</b>	(379,784)	(932,859)
<b>Total recognised income and expense for the period</b>	(379,784)	(812,859)
<b>Transactions with equity holders in their capacity as equity holders:</b>		
Contributions of equity net of transaction costs	66,262	1,490,773
Share buy back	(1,200,002)	-
<b>TOTAL EQUITY AT THE END OF THE HALF-YEAR</b>	2,795,185	4,428,310

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	<b>31 Dec 2009</b>	<b>31 Dec 2008</b>
	\$	\$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from customers	145	14,987
Payments to suppliers and employees	(497,184)	(657,560)
Interest received	1,890	1,680
Interest paid	-	(3,749)
Borrowing costs	(5,950)	-
<b>Net cash used in operating activities</b>	<b>(501,099)</b>	<b>(644,642)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Loans to Related Entities	(264,344)	(550,000)
Proceeds from borrowings	1,200,000	-
Proceeds from sale of investments	125,000	240,000
<b>Net cash provided by investing activities</b>	<b>1,060,656</b>	<b>(310,000)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from share issue net of transaction costs	66,262	1,490,773
Share buy back	(1,200,002)	-
<b>Net cash provided by financing activities</b>	<b>(1,133,740)</b>	<b>1,490,773</b>
 <b>Net decrease in cash and cash equivalents</b>	 <b>(574,183)</b>	 <b>536,131</b>
Cash and cash equivalents at beginning of half year	673,826	9,949
<b>Cash and cash equivalents at end of the half-year</b>	<b>99,643</b>	<b>546,080</b>

**NOTES TO THE HALF-YEAR FINANCIAL STATEMENTS 31 DECEMBER 2009**

**NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR  
FINANCIAL REPORT**

This half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2009 and any public announcements made by ATF Group (PDF) Limited during the half-year in accordance with any continuous disclosure obligations arising under the Corporations Act 2001.

The half-year financial report was authorised for issue by the directors at the date of the directors' report.

**(a) Basis of preparation of the half-year financial report**

This general purpose half year financial report has been prepared in accordance with Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*.

**(b) Summary of the significant accounting policies:**

The half-year consolidated financial report has been prepared using the same accounting policies as used in the annual financial report for the year ended 30 June 2009.

**NOTE 2: GOING CONCERN**

The company has incurred substantial losses to date. In order for the company to continue trading it is reliant on the following types of funding:

- Raising funds from existing shareholders;
- Raising funds from new shareholders through Prospectus Offers;
- Generating cash inflows from its trading operations.

As such there is uncertainty as to whether the company will be able to continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

**NOTE 3: SIGNIFICANT ITEMS**

During the period a confidential agreement was reached with Sean Magee and Jennifer Page which called for the company to buy-back 10,000,000 shares at 12 cents each and a further 8,281,892 for consideration of a total of \$2. This was approved by shareholders at a General Meeting held on 16 September 2009. As a consequence of this agreement, all parties ceased their various legal actions against each other.