OPTIMA

Corporation Limited

ABN 36 098 455 460

2002/2003 Half-Year Financial Report

DIRECTORS' REPORT

The directors present their report together with the consolidated financial report for the half-year ended 31 December 2002 and the auditor's review report thereon:

1. Directors

The directors of the Company during the half-year and up to the date of this report are:

Name	*Period of directorship*
Mr Barry MacKinnon *Non-executive Chairman*	Director since 16 October 2001
Mr Jong Kan Foo *Executive Director*	Director since 16 October 2001
Mr Anthony Ho *Executive Director*	Director since 16 October 2001
Dr Yung Kuan Foo *Non-executive Director*	Director since 16 October 2001

2. Results

The loss of the consolidated entity for the half-year was $426,138 (2001: $1,252) after amortisation of intangibles of $7,000 (2001: nil) and income tax of nil (2001: nil).

3. Review of Activities

Optimoney cash and financial management system

During the period under review, the consolidated entity ("the Group") conducted continuing negotiations with interested parties on the development of pilot projects to use the Optimoney cash and financial management system. The Optimoney system focuses on the everyday money management and debt management of clients which has largely been ignored by traditional financial planning marketing. These negotiations with a number of national planning groups in Australia are directed at introducing the Optimoney system, under appropriate licence arrangements, to their existing marketing network.

The Group has also continued its review of the introduction of the Optimoney System in the United Kingdom and a preliminary market assessment was conducted during the period under review. Further follow-up assessments and negotiations are expected in the coming months.

The Group has placed under review its Optimoney activities in Singapore and Malaysia. The Group's interest in these centres is currently as a minority shareholder and assessment will be held in the coming period to rationalise activities in this region.

KTC Educational activities

The Group continued its assessment of investment opportunities in the education field in China. During the period under review, the KTC Group (in which Optima has a 40% interest) has commenced discussions on a project to launch an educational programme for students in China to gain professional qualifications with the ACCA Institution (The Associates of Chartered Certified Accountants), an international accounting institution based in the United Kingdom.

Dated at Perth, Western Australia, this 11th day of March 2003.

Signed in accordance with a resolution of the directors:

B MacKinnon
Chairman

OPTIMA
Corporation Limited

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF-YEAR ENDED 31 DECEMBER 2002

	Note	Consolidated 31 December 2002 $	31 December 2001 $
Other revenue from ordinary activities		29,703	1,995
Total revenue		29,703	1,995
Administrative expenses		(235,004)	(3,247)
Marketing expenses		(71,837)	-
Occupancy expenses		(9,000)	-
Other expenses from ordinary activities		(140,000)	-
Loss from ordinary activities before income tax		(426,138)	(1,252)
Income tax expense relating to ordinary activities		-	-
Loss from ordinary activities after related income tax expense		(426,138)	(1,252)
Net loss attributable to outside equity interests		-	-
Net loss attributable to members		(426,138)	(1,252)
Basic earnings per share		(1.16) cents	(0.01) cents

Diluted earnings per share does not represent an inferior view of the Company's performance and is not disclosed for this reason.

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

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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2002

	Note	Consolidated 31 December 2002 $	Consolidated 30 June 2002 $
CURRENT ASSETS			
Cash assets		704,746	1,169,493
Receivables		16,025	18,344
Total Current Assets		720,771	1,187,837
NON CURRENT ASSETS			
Receivables		103,841	-
Investments accounted for using the equity method		401,696	60
Plant and equipment		6,064	-
Intangible assets		55,559	62,559
Total Non Current Assets		567,160	62,619
TOTAL ASSETS		1,287,931	1,250,456
CURRENT LIABILITIES			
Payables		108,103	44,490
Total Current Liabilities		108,103	44,490
TOTAL LIABILITIES		108,103	44,490
NET ASSETS		**1,179,828**	**1,205,966**
EQUITY			
Contributed equity	2	2,566,755	2,166,755
Accumulated losses		(1,386,927)	(960,789)
TOTAL PARENT ENTITY INTEREST		**1,179,828**	**1,205,966**
Outside equity interests		-	-
TOTAL EQUITY		**1,179,828**	**1,205,966**

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

STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2002

	Consolidated	
	31 December 2002 $	31 December 2001 $
Cash flows used in operating activities		
Cash receipts in the course of operations	5,723	-
Cash payments in the course of operations	(237,451)	(11,723)
Interest received	19,054	1,995
Net cash used in operating activities	**(212,674)**	**(9,728)**
Cash flows used in investing activities		
Loans to other entities	(243,841)	-
Payments for plant & equipment	(6,596)	-
Payments for investments in associates	(1,636)	(60)
Net cash used in investing activities	**(252,073)**	**(60)**
Cash flows from financing activities		
Proceeds from issue of shares	-	509,500
Transaction costs from issue of shares	-	(174,916)
Net cash provided by financing activities	**-**	**334,584**
NET (DECREASE)/INCREASE IN CASH HELD	**(464,747)**	**324,796**
Cash at the beginning of the financial period	1,169,493	-
Cash at the end of the financial period	**704,746**	**324,796**

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

NOTES TO THE FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of half-year financial report

The half-year financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standard 1029 *Interim Financial Reporting*, the recognition and measurement requirements of applicable AASB standards and other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group consensus views. This half-year financial report is to be read in conjunction with the Annual Report dated 5 September 2002 and any public announcements made by the Company during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

The accounting policies have been consistently applied by each entity in the consolidated entity and are consistent with those applied in the 30 June 2002 Annual Financial Report.

The half-year report does not include full note disclosures of the type normally included in an annual financial report.

	31 December 2002	30 June 2002
	$	$
2. CONTRIBUTED EQUITY		
Issued and Paid-Up Capital		
37,200,001 (June 2002: 35,200,001) ordinary shares, fully paid	2,566,755	2,166,755

On 8 August 2002 Optima Corporation Ltd issued 2,000,000 ordinary shares at 20 cents each to KTC International (HK) Limited to acquire a 40% interest in that entity.

Options

The following options to subscribe for ordinary fully paid shares are outstanding at 31 December 2002:

- 26,433,332 options exercisable at 20 cents each on or before 31 December 2004.

Movement in options during the period were:

- 3,000,000 options exercisable at 20 cents each on or before 31 December 2004 to KTC International (HK) Limited on 8 August 2002
- 1,000,000 options exercisable at 20 cents each on or before 31 December 2004 to a consultant on 16 October 2002.

3. SEGMENT REPORTING

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The consolidated entity operates in marketing and distributing, through licensees, a comprehensive financial management service to assist individuals to plan and effectively manage their personal financial affairs.

Geographical Segments

In presenting information based on geographical segments, segment revenue is based on the geographical location of customers.

	Revenue		Loss	
	Dec 2002	Dec 2001	Dec 2002	Dec 2001
	$	$	$	$
Australia	29,703	1,995	(286,138)	(1,252)
Asia	-	-	(140,000)	-
	29,703	1,995	(426,138)	(1,252)

4. NON-CASH FINANCING AND INVESTING ACTIVITIES

During the financial period Optima Corporation Ltd issued 2,000,000 ordinary shares at 20 cents each to KTC International (HK) Limited to acquire a 40% in that entity. This acquisition is not reflected in the statement of cash flows.

5. EVENT SUBSEQUENT TO REPORTING DATE

Since 31 December 2002, Optima Corporation Ltd has advanced a further $100,000 as loan funds to KTC International (HK) Limited. The financial effects of this transaction have not been brought to account in the consolidated entity financial statements for the half-year ended 31 December 2002.

DIRECTORS' DECLARATION

In the opinion of the directors of Optima Corporation Limited:

1. the financial statements and notes set out on pages 3 to 7 are in accordance with the Corporations Act 2001, including:

   (a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2002 and of its performance, as represented by the results of its operations and cash flows for the financial period ended on that date; and

   (b) complying with Accounting Standard AASB 1029 "Interim Financial Reporting"; and

2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Perth, Western Australia, this 11th day of March 2003

Signed in accordance with a resolution of the Directors:

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B MacKinnon
Chairman

A Member Firm of PKF International

PKF

Chartered Accountants
& Business Advisers

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INDEPENDENT REVIEW REPORT

To the members of Optima Corporation Limited

Scope

We have reviewed the financial report of Optima Corporation Limited for the half-year ended 31 December 2002 as set out on pages 3 to 8. The financial report includes the consolidated financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half-year or from time to time during the half year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the disclosing entity's personnel and analytical procedures applied to the financial data. These procedures do no provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of Optima Corporation Limited is not in accordance with:

(a) the Corporations Act 2001, including:

i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2002 and of its performance for the period ended on that date; and

ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

PKF

PKF
Chartered Accountants

IAN P OLSON
Partner
Dated at Perth, Western Australia this 11th day of March 2003.

A Western Australian Partnership
Partners: A R Connolly, R A Dickson, K R Foggo, G M Carrello, M N Loftus, J Evangelista, N G Smith, I P Olsen, M Pollock