

ASX Release – 14 March 2003

December 2002 Half Year Results – Profitability Reached

Jumbo Corporation Ltd today announced that profitability has been reached in the 6 months ending December 2002. This was primarily a result of a 123% increase in revenue coupled with an 18% decrease in net operating costs.

The following table demonstrates the trend.

6 month period to:	Dec 2000	Dec 2001	Dec 2002
Revenue	\$246,000	\$621,000	\$1,384,000
Cost of Sales ¹	\$11,000	\$221,000	\$807,000
Net Operating Costs ²	\$674,000	\$667,000	\$547,000
Total Profit (Loss)	(\$439,000)	(\$267,000)	\$30,000
Consolidated Profit (Loss) ³	(\$378,000)	(\$223,000)	\$24,000

“Our goal of reaching profitability has been achieved”, said Mr Mike Veverka, CEO of Jumbo Corp. “The Company has succeeded in using its ecommerce technology to double revenues while keeping net operating costs under control.”

Expenses in earlier years were a result of development of the Jumbo proprietary technology which improves online security and handles customer demands. This encourages new customers to buy online and old customers to make repeat purchases. The company uses this to promote a variety of products primarily to the US consumer market.

“Looking ahead, our goal is to continue using our systems to drive our revenues higher and keep our costs under control with the aim of increasing our profitability”, said Mr Veverka. “The large US consumer market provides us with a good opportunity to continue our growth.”

Forrester Research estimated that online sales grew 52% to US\$78 billion over the full 2002 year (2002 US Ecommerce: The Year in Review. January 28, 2003). This was fuelled by a growth in new product categories, an improvement in digital marketing techniques and web analytics. The report stated that more than 50% of online

retailers reached profitability in 2001, with more expected to cross the threshold in 2002. With fears of dot-com instability behind them, retailers seized the chance to optimize sales.

Scalability of the Jumbo business model

A high level of scalability and automation is a key principle in the Jumbo business model. The Jumbo technology is used to manage increasing levels of online sales 24 hours a day with minimal manual intervention. Over the last 3 years, revenue has increased from \$246,000 to \$1.38 million per half year while net operating costs have dropped from \$674,000 to \$547,000 per year.

For further enquiries, please contact:

Mike Veverka, CEO

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Definitions of terms used are as follows:

1. **Cost of Sales;** include costs that are proportional to sales levels and include cost of goods sold and payment processing fees.
2. **Net Operating Costs;** include costs associated with operating the business and the ecommerce systems, such as staff, rent and computer expenses.
3. **Consolidated Profit (Loss);** Profit or loss attributable to members after minority interests.

JUMBO CORPORATION LIMITED

Directors' Report

Your directors present their report for the half-year ended 31 December 2002.

Directors

The names of the directors of the company in office during the half-year and until the date of this report are:

Alan Phillips Chairman (non-executive)

Mike Veverka Chief executive officer

Earl Evans Non-executive director

Directors shown were in office from the beginning of the half-year until the date of this report, except where otherwise indicated.

Review and Results of Operations

The main factors influencing the operations of the Jumbo Corp during the 6 months ending December 2002 include the following:

- **Strong growth in the Jumbo core business (Benon Technologies).** The core business of providing e-commerce technology and retailing goods and services to customers around the world grew significantly. Efforts were directed to improving the core software to increase automation and to improve marketing techniques. The benefits of these efforts was realized by the increase in Revenue from \$620,000 to \$1,384,000 and an increase in profitability of this subsidiary to approximately \$129,000
- **Improvement in subsidiary companies.** The formation of Online Computing Australia Pty Ltd to support Dealer Dan Pty Ltd assisted in growing the business of retailing computer hardware online. While these entities were not yet profitable, the outlook is positive. The subsidiary Building Site Services (Aust) Pty Ltd was restructured to reduce its cash requirement and efforts were made to improve this business.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the economic entity during the half-year ended 31 December 2002.

Signed in accordance with a resolution of the directors.

.....(Original Signed)

Mike Veverka

Director

Dated at Brisbane this 13th day of March 2003

JUMBO CORPORATION LIMITED
ABN 66 009 189 128

FINANCIAL STATEMENTS AND REPORTS

HALF-YEAR ENDED 31 DECEMBER 2002

Appendix 4B

Half yearly/preliminary final report

Introduced 30/6/2002.

Name of entity

JUMBO CORPORATION LIMITED

ABN or equivalent company reference	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended ('current period')
ABN 66 009 189 128	<input checked="" type="checkbox"/>	<input type="checkbox"/>	31 DECEMBER 2002

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

\$A'000

Revenues from ordinary activities (<i>item 1.1</i>)	up	123 %	to	1,384
Profit (loss) from ordinary activities after tax attributable to members (<i>item 1.22</i>)		111 %	to	24
Profit (loss) from extraordinary items after tax attributable to members (<i>item 2.5(d)</i>)				Nil
Net profit (loss) for the period attributable to members (<i>item 1.11</i>)		111 %	to	24
Dividends (distributions)		Amount per security	Franked amount per security	
Final dividend (<i>Preliminary final report only - item 15.4</i>)		Nil ¢	Nil ¢	
Interim dividend (<i>Half yearly report only - item 15.6</i>)		Nil ¢	Nil ¢	
Previous corresponding period (<i>Preliminary final report - item 15.5; half yearly report - item 15.7</i>)		Nil ¢	Nil ¢	
+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) (<i>see item 15.2</i>)		Not Applicable		
Brief explanation of any of the figures reported above (see Note 1) and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				

If this is a half yearly report it is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial performance

		Current period - \$A'000	Previous corresponding period - \$A'000
1.1	Revenues from ordinary activities (<i>see items 1.23 -1.25</i>)	1,384	621
1.2	Expenses from ordinary activities (<i>see items 1.26 & 1.27</i>)	(1,354)	(887)
1.3	Borrowing costs		
1.4	Share of net profits (losses) of associates and joint venture entities (<i>see item 16.7</i>)		
1.5	Profit (loss) from ordinary activities before tax	30	(266)
1.6	Income tax on ordinary activities (<i>see note 4</i>)		
1.7	Profit (loss) from ordinary activities after tax	30	(266)
1.8	Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)		
1.9	Net profit (loss)	30	(266)
1.10	Net profit (loss) attributable to outside ⁺ equity interests	6	(43)
1.11	Net profit (loss) for the period attributable to members	24	(223)
Non-owner transaction changes in equity			
1.12	Increase (decrease) in revaluation reserves		
1.13	Net exchange differences recognised in equity		
1.14	Other revenue, expense and initial adjustments recognised directly in equity (attach details)		
1.15	Initial adjustments from UIG transitional provisions		
1.16	Total transactions and adjustments recognised directly in equity (items 1.12 to 1.15)		
1.17	Total changes in equity not resulting from transactions with owners as owners		

Earnings per security (EPS)		Current period	Previous corresponding Period
1.18	Basic EPS	.02 cents	(0.14) cents loss
1.19	Diluted EPS	.02 cents	(0.14) cents loss

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial performance

Profit (loss) from ordinary activities attributable to members

	Current period - \$A'000	Previous corresponding period - \$A'000
1.20 Profit (loss) from ordinary activities after tax (<i>item 1.7</i>)	30	(266)
1.21 Less (plus) outside ⁺ equity interests	6	(43)
1.22 Profit (loss) from ordinary activities after tax, attributable to members	24	(223)

Revenue and expenses from ordinary activities

(*see note 15*)

	Current period - \$A'000	Previous corresponding period - \$A'000
1.23 Revenue from sales or services		
Jumbomall Commissions	617	182
Sales	592	346
1.24 Interest revenue	6	8
1.25 Other relevant revenue		
Commission Received – Other	133	85
Other Income	36	
1.26 Details of relevant expenses		
Advertising and Promotion	13	15
Employee Expenses	174	210
Directors Remuneration	67	91
Rental Costs	69	30
Consultants and professional fees	55	103
Merchant Bank fees	236	41
Loss on sale of Shares	-	30
Cost of Goods Sold	571	180
Commissions and Contractors	43	
Sundry Expenses	119	171
1.27 Depreciation and amortisation excluding amortisation of intangibles (<i>see item 2.3</i>)	7	16
Capitalised outlays		
1.28 Interest costs capitalised in asset values		
1.29 Outlays capitalised in intangibles (unless arising from an ⁺ acquisition of a business)		

Consolidated retained profits

+ See chapter 19 for defined terms.

	Current period - \$A'000	Previous corresponding period - \$A'000
1.30 Retained profits (accumulated losses) at the beginning of the financial period	(19,587)	(19,085)
1.31 Net profit (loss) attributable to members (<i>item 1.11</i>)	24	(223)
1.32 Net transfers from (to) reserves (<i>details if material</i>)		
1.33 Net effect of changes in accounting policies		
1.34 Dividends and other equity distributions paid or payable		
1.35 Retained profits (accumulated losses) at end of financial period	(19,563)	(19,308)

Intangible and extraordinary items

<i>Consolidated - current period</i>				
	Before tax \$A'000 (a)	Related tax \$A'000 (b)	Related outside +equity interests \$A'000 (c)	Amount (after tax) attributable to members \$A'000 (d)
2.1 Amortisation of goodwill	Nil			
2.2 Amortisation of other intangibles	Nil			
2.3 Total amortisation of intangibles	Nil			
2.4 Extraordinary items (details)	Nil			
2.5 Total extraordinary items	Nil			

Comparison of half year profits

(Preliminary final report only)

	Current year - \$A'000	Previous year - \$A'000
3.1 Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the <i>1st</i> half year (item 1.22 in the half yearly report)	Not applicable	Not Applicable

+ See chapter 19 for defined terms.

3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the 2nd half year

Not applicable	Not applicable
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+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position		At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
Current assets				
4.1	Cash	1,031	759	478
4.2	Receivables	76	73	84
4.3	Investments		24	14
4.4	Inventories	12		15
4.5	Tax assets			
4.6	Other (provide details if material)			
4.7	Total current assets	1,119	856	591
Non-current assets				
4.8	Receivables			
4.9	Investments (equity accounted)			
4.10	Other investments			
4.11	Inventories			
4.12	Exploration and evaluation expenditure capitalised (<i>see para .71 of AASB 1022</i>)			
4.13	Development properties (+mining entities)			
4.14	Other property, plant and equipment (net)	48	27	28
4.15	Intangibles (net)	12	12	69
4.16	Tax assets			
4.17	Other (security deposit)	53	52	51
4.18	Total non-current assets	113	91	148
4.19	Total assets	1,232	947	739
Current liabilities				
4.20	Payables	1,034	897	504
4.21	Interest bearing liabilities		3	14
4.22	Tax liabilities	41		
4.23	Provisions exc. tax liabilities	58	88	85
4.24	Other (provide details if material)			
4.25	Total current liabilities	1,133	988	603
Non-current liabilities				
4.26	Payables			
4.27	Interest bearing liabilities			
4.28	Tax liabilities			
4.29	Provisions exc. tax liabilities			
4.30	Other (loans from directors of subsidiary)	49		
4.31	Total non-current liabilities	49	-	-

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position continued

4.32	Total liabilities	1,182	988	603
4.33	Net assets	50	(41)	136
	Equity			
4.34	Capital/contributed equity	20,275	20,214	20,070
4.35	Reserves			
4.36	Retained profits (accumulated losses)	(19,563)	(19,587)	(19,308)
4.37	Equity attributable to members of the parent entity	712	627	762
4.38	Outside ⁺ equity interests in controlled entities	(662)	(668)	(626)
4.39	Total equity	50	(41)	136
4.40	Preference capital included as part of 4.37	Nil	Nil	Nil

Notes to the condensed consolidated statement of financial position

Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

	Current period \$A'000	Previous corresponding period - \$A'000
5.1	Opening balance	Nil
5.2	Expenditure incurred during current period	
5.3	Expenditure written off during current period	
5.4	Acquisitions, disposals, revaluation increments, etc.	
5.5	Expenditure transferred to Development Properties	
5.6	Closing balance as shown in the consolidated balance sheet (item 4.12)	Nil

Development properties

(To be completed only by entities with mining interests if amounts are material)

	Current period \$A'000	Previous corresponding Period - \$A'000
6.1	Opening balance	Nil
6.2	Expenditure incurred during current period	
6.3	Expenditure transferred from exploration and evaluation	

+ See chapter 19 for defined terms.

6.4 Expenditure written off during current period		
6.5 Acquisitions, disposals, revaluation increments, etc.		
6.6 Expenditure transferred to mine properties		
6.7 Closing balance as shown in the consolidated balance sheet (item 4.13)	Nil	Nil

Condensed consolidated statement of cash flows

	Current period \$A'000	Previous corresponding period - \$A'000
Cash flows related to operating activities		
7.1 Receipts from customers	1,394	726
7.2 Payments to suppliers and employees	(1,161)	(962)
7.3 Dividends received from associates		
7.4 Other dividends received		
7.5 Interest and other items of similar nature received	6	8
7.6 Interest and other costs of finance paid		
7.7 Income taxes paid		
7.8 Other (provide details if material)		
7.9 Net operating cash flows	239	(228)
Cash flows related to investing activities		
7.10 Payment for purchases of property, plant and equipment	(28)	
7.11 Proceeds from sale of property, plant and equipment		
7.12 Payment for purchases of equity investments		
7.13 Proceeds from sale of equity investments		
7.14 Loans to other entities		
7.15 Loans repaid by other entities		(51)
7.16 Other (provide details if material)		12
7.17 Net investing cash flows	(28)	(39)
Cash flows related to financing activities		
7.18 Proceeds from issues of ⁺ securities (shares, options, etc.)	61	
7.19 Proceeds from borrowings		
7.20 Repayment of borrowings		(6)
7.21 Dividends paid		
7.22 Other (provide details if material)		
7.23 Net financing cash flows	61	(6)
7.24 Net increase (decrease) in cash held	272	(273)

+ See chapter 19 for defined terms.

7.25	Cash at beginning of period (see <i>Reconciliation of cash</i>)	759	751
7.26	Exchange rate adjustments to item 7.25.		
7.27	Cash at end of period (see <i>Reconciliation of cash</i>)	1,031	478

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. (If an amount is quantified, show comparative amount.)

Not Applicable

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A'000	Previous corresponding period - \$A'000
8.1 Cash on hand and at bank	1,031	478
8.2 Deposits at call		
8.3 Bank overdraft		
8.4 Other (provide details)		
8.5 Total cash at end of period (item 7.27)	1,031	478

Other notes to the condensed financial statements

Ratios

	Current period	Previous corresponding Period
9.1 Profit before tax / revenue Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	2.2 %	(42.9) %
9.2 Profit after tax / ⁺equity interests Consolidated net profit (loss) from ordinary activities after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 4.37)	3.4 %	(35.0) %

+ See chapter 19 for defined terms.

Earnings per security (EPS)

10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of AASB 1027: *Earnings Per Share* are as follows.

	BASIC	DILUTED	WEIGHTED AVERAGE SHARES
December 2002	.02 cents	not materially different	165,104,607
December 2001	(.14) cents loss	not materially different	157,720,171

NTA backing

(see note 7)

11.1 Net tangible asset backing per ⁺ordinary security

Current period	Previous corresponding Period
.03 cents per share	.04 cents per share

Discontinuing Operations

(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5 (g) of AASB 1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: Discontinuing Operations (see note 17).)

12.1 Discontinuing Operations

Not Applicable

+ See chapter 19 for defined terms.

Control gained over entities having material effect

13.1 Name of entity (or group of entities)	No control was gained over any entities during the The half year
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was ⁺ acquired	\$ Not applicable
13.3 Date from which such profit has been calculated	Not applicable
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	\$ Not applicable

Loss of control of entities having material effect

14.1 Name of entity (or group of entities)	No loss of control over any entities occurred during the half year.
14.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	\$ Not applicable
14.3 Date to which the profit (loss) in item 14.2 has been calculated	
14.4 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	\$ Not applicable
14.5 Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$ Not applicable

Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable	Not applicable
15.2 ⁺ Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if ⁺ securities are not ⁺ CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if ⁺ securities are ⁺ CHESS approved)	Not applicable
15.3 If it is a final dividend, has it been declared? (<i>Preliminary final report only</i>)	Not applicable

Amount per security

⁺ See chapter 19 for defined terms.

		Amount per security	Franked amount per security at % tax (see note 4)	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> Final dividend: Current year	Nil ¢	Nil ¢	Nil ¢
15.5	Previous year	Nil ¢	Nil ¢	Nil ¢
15.6	<i>(Half yearly and preliminary final reports)</i> Interim dividend: Current year	Nil ¢	Nil ¢	Nil ¢
15.7	Previous year	Nil ¢	Nil ¢	Nil ¢

Total dividend (distribution) per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	Nil ¢	Nil ¢
15.9 Preference +securities	¢	¢

**Half yearly report - interim dividend (distribution) on all securities or
Preliminary final report - final dividend (distribution) on all securities**

	Current period \$A'000	Previous corresponding period - \$A'000
15.10 +Ordinary securities <i>(each class separately)</i>		
15.11 Preference +securities <i>(each class separately)</i>		
15.12 Other equity instruments <i>(each class separately)</i>		
15.13 Total		

The +dividend or distribution plans shown below are in operation.

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The last date(s) for receipt of election notices for the +dividend or distribution plans

Not Applicable

Any other disclosures in relation to dividends (distributions). *(For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting)*

+ See chapter 19 for defined terms.

Not Applicable

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':	Current period \$A'000	Previous corresponding period - \$A'000
16.1 Profit (loss) from ordinary activities before tax	Not applicable	Not Applicable
16.2 Income tax on ordinary activities		
16.3 Profit (loss) from ordinary activities after tax		
16.4 Extraordinary items net of tax		
16.5 Net profit (loss)		
16.6 Adjustments		
16.7 Share of net profit (loss) of associates and joint venture entities	Nil	Nil

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. *(If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)*

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) <i>(item 1.9)</i>	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period - \$A'000
17.1 Equity accounted associates and joint venture entities				

+ See chapter 19 for defined terms.

Not Applicable				
17.2 Total	Nil	Nil	Nil	Nil
17.3 Other material interests Not Applicable				
17.4 Total	Nil	Nil	Nil	Nil

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates)

Category of ⁺ securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference ⁺securities (description)	Nil			
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
18.3 ⁺Ordinary securities	165,765,227	165,765,227	Fully Paid	Fully Paid
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	2,426,768			
18.5 ⁺Convertible debt securities (description and conversion factor)	Nil			
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				
18.7 Options (description and conversion factor)	5,750,000		Exercise price	Expiry date (if any)
Each option is over one unissued share			5 cents	05.06.06
18.8 Issued during current period				
18.9 Exercised during current period				
18.10 Expired during current period	22,500,000 32,500,000 22,941,741		25 cents 50 cents 20 cents	31.12.02 31.12.02 10.07.02
18.11 Debentures (description)	Nil			
18.12 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

18.13 Unsecured notes <i>(description)</i>	Nil	
18.14 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted		

Segment reporting

(Information on the business and geographical segments of the entity must be reported for the current period in accordance with *AASB 1005: Segment Reporting* and for half year reports, *AASB 1029: Interim Financial Reporting*. Because entities employ different structures a pro forma cannot be provided. Segment information in the layout employed in the entity's ⁺accounts should be reported separately and attached to this report.)

Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by *AASB 1029: Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

Basis of financial report preparation

19.1 *If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB 1029: Interim Financial Reporting. It should be read in conjunction with the last ⁺annual report and any announcements to the market made by the entity during the period. The financial statements in this report are "condensed financial statements" as defined in AASB 1029: Interim Financial Reporting. This report does not include all the notes of the type normally included in an annual financial report. [Delete if preliminary final report.]*

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

⁺ See chapter 19 for defined terms.

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB 1029: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB 1001: Accounting Policies-Disclosure*).

Going Concern

The ASX Appendix 4B has been prepared on a going concern basis which contemplates the continuity of business activities and the realisation of assets and payment of liabilities in the normal course of business and at the amounts stated in this report.

The net profit for the half year ended 31 December 2002 is \$24,258 which is a turnaround from a loss of \$223,000 for the same period in the previous year.

As at 31 December 2002, the company has net assets of \$50,000 which is an improvement of \$91,000 from the net assets position at 30 June 2002.

The directors believe that the company will be able to pay its debts as and when they fall due based on the following information:

- The company's consolidated operating results have improved during the half-year ended 31 December 2002 and the company has realized a net profit for the period. Operating results are expected to continue to improve over the next twelve months.
- Management and other restructuring changes have been made in Dealer Dan and Neobuild, which were the two loss generating subsidiaries during the half year ended 31 December 2002.
- Potential equity investors have indicated their interest in investing at least \$200,000 in shares of Jumbo Corporation Limited.

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

+ See chapter 19 for defined terms.

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19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last⁺ annual report.

Contingent liabilities

The economic entity is engaged in two separate disputes involving litigation.

- 1) Benon Technologies Pty Limited and Jumbo Corporation Limited are engaged in unresolved litigation with a former professional consultant in respect to fees charged by the consultant. The matters have been in progress since June 2000 and no progress has been made in the 6 months ending December 2002. The economic entity has not accrued an amount as a provision for legal costs in relation to this matter and directors do not consider that this matter will have a material impact on the economic entity.
- 2) Jumbo Corporation Limited and two of its directors were engaged in litigation in respect to a partly-owned controlled entity. The Supreme Court of Queensland has issued an order in favour of Jumbo Corporation and two of its directors with partial costs awarded. Directors do not consider that this matter will have a material impact on the economic entity.

Additional disclosure for trusts

20.1 Number of units held by the management company or responsible entity or their related parties.

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20.2 A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- initial service charges
- management fees
- other fees

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Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place

Date

Time

⁺ See chapter 19 for defined terms.

Approximate date the ⁺annual report will be available

Compliance statement

- 1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used

- 2 This report, and the ⁺accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does/does not* (*delete one*) give a true and fair view of the matters disclosed (see note 2).
- 4 This report is based on ⁺accounts to which one of the following applies.
(*Tick one*)
- | | | |
|--|--------------------------|---|
| <input type="checkbox"/> The ⁺ accounts have been audited. | ✓ | The ⁺ accounts have been subject to review. |
| <input type="checkbox"/> The ⁺ accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The ⁺ accounts have <i>not</i> yet been audited or reviewed. |
- 5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.*)
- 6 The entity has/does not have* (*delete one*) a formally constituted audit committee.

Sign here: (Original Signed)..... Date:
(Director/Company Secretary)

Print name:

⁺ See chapter 19 for defined terms.

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. Entities are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.
2. **True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.
3. **Condensed consolidated statement of financial performance**
 - Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of Financial Performance*.
 - Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franked amount per security at % tax" for items 15.4 to 15.7.
5. **Condensed consolidated statement of financial position**

Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Interim Financial Reporting*, and *AASB 1040: Statement of Financial Position*. Also, banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last ⁺annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.
6. **Condensed consolidated statement of cash flows** For definitions of "cash" and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the

+ See chapter 19 for defined terms.

- management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. ⁺Mining exploration entities may use the form of cash flow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ⁺ordinary securities (ie, all liabilities, preference shares, outside ⁺equity interests etc). ⁺Mining entities are *not* required to state a net tangible asset backing per ⁺ordinary security.
 8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the ⁺accounts. Details must include the contribution for each gain or loss that increased or decreased the entity's consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.
 9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. If an entity reports exact figures, the \$A'000 headings must be amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, and the \$A'000 headings must be amended.
 10. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 1018* or *AASB 1029 Interim Financial Reporting* as appropriate and are the unadjusted figures from the latest annual or half year report as appropriate. However, if an adjustment has been made in accordance with an accounting standard or other reason or if there is a lack of comparability, a note explaining the position should be attached. For the statement of financial performance, *AASB 1029 Interim Financial Reporting* requires information on a year to date basis in addition to the current interim period. Normally an Appendix 4B to which *AASB 1029 Interim Financial Reporting* applies would be for the half year and consequently the information in the current period is also the year to date. If an Appendix 4B Half yearly version is produced for an additional interim period (eg because of a change of reporting period), the entity must provide the year to date information and comparatives required by *AASB 1029 Interim Financial Reporting*. This should be in the form of a multi-column version of the consolidated statement of financial performance as an attachment to the additional Appendix 4B.
 11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the ⁺ASIC under the Corporations Act must also be given to ASX. For example, a director's report and declaration, if lodged with the ⁺ASIC, must be given to ASX.
 12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.
 13. **Corporations Act financial statements** This report may be able to be used by an entity required to comply with the Corporations Act as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.

⁺ See chapter 19 for defined terms.

14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Details of expenses** *AASB 1018* requires disclosure of expenses from ordinary activities according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by ASX. *AASB ED 105* clarifies that the disclosures required by *AASB 1018* must be either *all* according to nature or *all* according to function. Entities must disclose details of expenses using the layout (by nature or function) employed in their ⁺accounts.

The information in lines 1.23 to 1.27 may be provided in an attachment to Appendix 4B.

Relevant Items *AASB 1018* requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term “relevance” is defined in *AASB 1018*. There is an equivalent requirement in *AASB 1029: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by ASX.

16. **Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to “000” must be changed to the reporting value.

17. **Discontinuing operations**

Half yearly report

All entities must provide the information required in paragraph 12 for half years beginning on or after 1 July 2001.

Preliminary final report

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of *AASB 1029: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their ⁺accounts in accordance with *AASB 1042 Discontinuing Operations*.

In any case the information may be provided as an attachment to this Appendix 4B.

18. **Format**

This form is a Word document but an entity can re-format the document into Excel or similar applications for submission to the Companies Announcements Office in ASX.

⁺ See chapter 19 for defined terms.

Jumbo Corporation
31 December 2002

Segment Information

	Dec-02 Jumbomall Online Shopping Mall \$A'000	Dec-02 Online Retailing \$A'000	Dec-02 Online Database \$A'000	Dec-02 Other \$A'000	Dec-02 Total \$A'000
Revenues					
Sales to customers outside the consolidated entity	1,054	263	24		1341
Other Revenues				43	43
	<u>1054</u>	<u>263</u>	<u>24</u>	<u>43</u>	<u>1384</u>
Results					
Segment Results	<u>328</u>	<u>-91</u>	<u>-18</u>	<u>10</u>	<u>229</u>
Unallocated Expenses					<u>-199</u>
Operating Profit					<u>30</u>

	Dec-01 Jumbomall Online Shopping Mall \$A'000	Dec-01 Online Retailing \$A'000	Dec-01 Online Database \$A'000	Dec-01 Other \$A'000	Dec-01 Total \$A'000
Revenues					
Sales to customers outside the consolidated entity	362	102	64		528
Other Revenues				93	93
	<u>362</u>	<u>102</u>	<u>64</u>	<u>93</u>	<u>621</u>
Results					
Segment Results	<u>188</u>	<u>-35</u>	<u>-101</u>	<u>-88</u>	<u>-36</u>
Unallocated Expenses					<u>-230</u>
Operating Profit					<u>-266</u>

INDEPENDENT REVIEW REPORT

To the members of Jumbo Corporation Limited

Scope

We have reviewed the financial report of Jumbo Corporation Limited in the form of Appendix 4B of the Australian Stock Exchange (ASX) Listing Rules, as set out on pages 1 to 22, including the Directors' Declaration for the half-year ended 31 December 2002, but excluding the following sections:

- material factors affecting the revenues and expenses of the economic entity for the current period (page 16 of Appendix 4B);
- compliance statement (page 19 of Appendix 4B); and
- the Directors' Report included as an attachment to the Appendix 4B.

The financial report includes the financial statements of the consolidated entity comprising Jumbo Corporation Limited 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, statutory requirements in Australia and ASX Listing Rules as they relate to Appendix 4B, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission and the ASX.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review was limited primarily to inquiries of the entity's personnel and analytical review procedures applied to financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Review Statement

As a result of our review, we have not become aware of any matter that makes us believe that the half-year financial report, as defined in the scope section, of Jumbo 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 half-year 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 and ASX Listing Rules as they relate to Appendix 4B.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the statement made above, attention is drawn to the following matter. The ASX Appendix 4B has been prepared on a going concern basis. As a result of the matters disclosed in the going concern note on page 17 of the attached ASX Appendix 4B, there is significant uncertainty whether Jumbo Corporation Limited will be able to continue as a going concern and therefore whether it will be able to pay its debts as they become due and payable and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the attached ASX Appendix 4B. The amounts stated in the ASX Appendix 4B do not include any adjustments relating to the recoverability and classification of the recorded asset amounts or the amounts and classification of liabilities that might be necessary should Jumbo Corporation Limited not continue as a going concern.

Ernst & Young
(Original Signed)
Mike Meintjes
Brisbane
Date: 13 March 2003

JUMBO CORPORATION LIMITED

Directors' Declaration

In accordance with a resolution of the directors of Jumbo Corporation Limited, we state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity:
 - (i) give a true and fair view of the financial position as at 31 December 2002 and the performance for the half year ended on that date of the consolidated entity; and
 - (ii) comply with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and

- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board,

.....(Original Signed)

Mike Veverka
Director

Dated at Brisbane this 13th day of March 2003