

K19253 *106422/LS*

Hawaiian Tropic Europe, Inc
Balance Sheet as at 31/12/2002

	<u>Yend Dec 2002</u>	<u>Yend Dec 2001</u>
	\$	\$
Assets		
Current Assets:		
Cash	1,875,682	387,427
Accounts Receivable	-86,273	273,494
Inventories	1,771,082	1,457,217
Prepaid Expenses	<u>18,290</u>	<u>14,647</u>
Total Current Assets	3,578,781	2,132,785
Property & Equip, net	<u>547,673</u>	<u>527,835</u>
Total assets	<u>4,126,454</u>	<u>2,660,620</u>
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts Payable and accrued Liabilities	1,930,435	1,584,140
Current Portion of note payable	<u>55,015</u>	<u>55,015</u>
Total Current Liabilities	1,985,450	1,639,155
Due to affiliate	1,517,520	481,923
Note payable to TRL, Inc	<u>68,768</u>	<u>123,784</u>
Total Liabilities	<u>3,571,738</u>	<u>2,244,862</u>
Shareholders' equity		
Common Stock \$1 par value - 1000 shares authorised issued and outstanding	1,000	1,000
Capital in excess of par value	478,981	478,981
Accumulated Deficit	<u>74,735</u>	<u>-64,223</u>
	<u>554,716</u>	<u>415,758</u>
Commitments and contingencies	-	-
Total Liabilities and shareholders equity	<u>4,126,454</u>	<u>2,660,620</u>



Hawaiian Tropic Europe, Inc
Profit & Loss a/c Yended 31/12/2002

	<u>Yend Dec 2002</u>	<u>Yend Dec 2001</u>
	<u>\$</u>	<u>\$</u>
Product sales,net	4,642,494	3,991,948
Costs & Expenses		
Cost of Goods Sold	1,705,075	1,602,948
Selling, General & Admin	1,303,861	946,410
Advertising & Promotion	985,223	740,917
Total Costs & Expenses	3,994,159	3,290,275
Other Income (expense):		
Interest Income	36,738	41,082
Interest Expense	-175,100	-150,122
Other, net	-371,015	-349,030
Total Other Income (expense)	-509,377	-458,070
Net Profit/(Loss)	138,958	243,603