

LUNG KEE (BERMUDA) HOLDINGS LIMITED

CONDENSED CONSOLIDATED BALANCE SHEET

At 30th June, 2003

| | Notes | 30th June, 2003 (unaudited) HK\$'000 | 31st December, 2002 (audited) HK\$'000 |
|---------------------------------------|-------|---|---|
| ASSETS AND LIABILITIES | | | |
| Non-current assets | | | |
| Investment properties | 8 | 24,050 | 24,050 |
| Property, plant and equipment | 8 | 441,593 | 413,806 |
| Goodwill | | 40,935 | 51,795 |
| Negative goodwill | | (68) | (113) |
| | | 506,510 | 489,538 |
| Current assets | | | |
| Inventories | | 329,392 | 283,882 |
| Bills receivable | | 28,903 | 32,076 |
| Trade and other receivables | 9 | 394,921 | 373,530 |
| Taxation recoverable | | 6,967 | 6,305 |
| Bank balances and cash | | 620,941 | 563,830 |
| | | 1,381,124 | 1,259,623 |
| Current liabilities | | | |
| Trade and other payables | 10 | 166,084 | 237,012 |
| Bills payable | | 24,843 | 23,924 |
| Taxation payable | | 48,103 | 46,387 |
| Obligations under finance leases | | 32 | 40 |
| Unsecured bank borrowings | 11 | 677,683 | 645,756 |
| Dividend payables | | 34 | 24,374 |
| | | 916,779 | 977,493 |
| Net current assets | | 464,345 | 282,130 |
| Total assets less current liabilities | | 970,855 | 771,668 |
| Non-current liabilities | | | |
| Obligations under finance leases | | 13 | 25 |
| Floating rate notes | 12 | 150,000 | — |
| Deferred taxation | | 330 | 901 |
| | | 150,343 | 926 |
| Minority interests | | 17,109 | 20,708 |
| | | 803,403 | 750,034 |
| CAPITAL AND RESERVES | | | |
| Share capital | 13 | 48,871 | 48,684 |
| Reserves | | 754,532 | 701,350 |
| | | 803,403 | 750,034 |