

12. MATERIAL RELATED PARTY TRANSACTIONS

- (a) One of the directors of the Company is also a director and shareholder of a supplier which sold packaging and printing materials to the Group under the same terms as those available to other customers in the ordinary course of business. Total purchases from the supplier amounted to HK\$2,531,000 (2002: HK\$2,797,000) during the period. The amount due to the supplier at the period end amounted to HK\$1,852,000 (at 31st December 2002: HK\$224,000).
- (b) During the period, the Group had net interests in both an associate and certain investments amounting to HK\$93,029,000 (at 31st December 2002: HK\$86,607,000) and HK\$75,687,000 (at 31st December 2002: HK\$77,620,000) respectively in which a director of the Company has beneficial interests.
- (c) During the period, the Group has obtained funding from certain directors, shareholders, related companies and related parties to finance its operations. The outstanding balances are as follows:

	Outstanding	
	Unaudited At 30th June 2003 <i>HK\$'000</i>	Audited At 31st December 2002 <i>HK\$'000</i>
Directors	89,241	79,946
Shareholders	49,333	48,854
Related companies	6,166	6,105
Related parties	2,130	2,130

The above balances are unsecured, interest bearing at 3% or prime less 0.5% to prime plus 2%. HK\$1,200,000 has no fixed term of repayment while the remaining balances are repayable after 30th June 2004.

13. COMPARATIVE FIGURES

Certain comparative figures have been restated based on the adoption of revised accounting standard as set out in note 2 in the interim financial report.

Staff related expenses of HK\$12,151,000 which was included in "Other operating expenses" in the 2002 interim consolidated income statement have been reclassified under "Staff costs" to conform with the current period's presentation.

INTERIM DIVIDEND

The Board of Directors does not recommend the payment of an interim dividend for the six months ended 30th June 2003 (2002: nil).