

(16) Related Party Transactions

During the period, the Group had the following transactions with related parties:

| Name of related party | Nature of transaction | 1.4.2004 to 30.9.2004 HK\$'000 | 1.4.2003 to 30.9.2003 HK\$'000 |
|--|--|--------------------------------------|--------------------------------------|
| Cymbeline Limited | Rental expenses paid by the Group (<i>notes a and c</i>) | – | 48 |
| Good Harvest Securities Company Limited | Rental income received by the Group (<i>notes b and c</i>) | – | 62 |
| Mr. Chu David Yu Lin | Rental income received by the Group (<i>note c</i>) | – | 42 |
| | Preference share dividend paid by the Group (<i>note d</i>) | – | 520 |
| Sinochem Hong Kong (Holdings) Co., Ltd. | Rental expenses paid by the Group (<i>notes c and e</i>) | 227 | – |
| | Preference share dividend paid by the Group (<i>note d</i>) | 515 | – |
| | | <u> </u> | <u> </u> |

Notes:

- (a) Mr. Chan King Hung, a former director of the Company, has a beneficial interest in Cymbeline Limited.
- (b) Mrs. Chu Ho Miu Hing, a director of the Company, has a beneficial interest in Good Harvest Securities Company Limited.
- (c) The above transactions were carried out with reference to the market price.
- (d) The preference share dividend was calculated at 1% per annum on the aggregate par value of the preference shares outstanding.
- (e) Sinochem Hong Kong (Holdings) Co., Ltd. is the substantial shareholder of the Company.

INTERIM DIVIDEND

The Directors resolved not to declare an interim dividend for the six months ended 30 September 2004 (six months ended 30.9.2003: Nil).