



### **Comprehensive services and employee benefits**

In accordance with a comprehensive services agreement entered into between the Company and the SA Group on 22 May, 1997 (the "Service Agreement"), the SA Group will receive fees for providing or causing to be provided to the Group and its employees certain services in respect of housing services and retirement benefits for a term from 22 May, 1997 to 31 December, 2006.

With respect to housing services, the Service Agreement provides that the SA Group will sell or rent housing to eligible employees at a price below market price. As the housing is sold or rented below cost, and the construction costs of the leased housing were originally paid by the SA Group, the Company shall pay an annual sum of RMB85 million to the SA Group by quarterly installments in arrears for ten years from 1995 to 2004.