

## ADVANCE TO ASSOCIATED COMPANIES

As at 30 June 2005, the balance of advance of RMB1,033,504,000 represented amount due from associated companies. The balances were incurred in the ordinary course of business of the Group, of which an amount of RMB305,290,700 bears interest at the rate of 5.58% per annum. None of the amounts due from associated companies have any fixed repayment period. The combined balance sheet of the associated companies is extracted from their unaudited management accounts as at 30 June 2005 and is set out as follows:

	RMB'000
Non-current Assets	1,892,220
Current Assets	1,121,151
Current Liabilities	2,528,038
Non-current Liabilities	128,396
Minority Interests	26,772
Shareholders' Equity	330,165
Interests attributable to the Group	<u>127,044</u>

*Note:* As at the date of the interim report, the Company has provided a bridging loan of RMB407,250,700 to its associate, GWBNS. The loan carries interest at the rate of 5.58% per annum.

## EMPLOYEES

As at 30 June 2005, the number of employees of the Group was approximately 10,000 (as at 31 December 2004, the number of employees was approximately 10,000). Employee salaries were determined according to the rank in and contribution to the respective company of any individual employee with reference to the remuneration and incentive system of the respective company.

## PROFIT DISTRIBUTION PLAN DURING THE REPORTING PERIOD AND ITS IMPLEMENTATION

On 20 June 2005, the Company convened its annual general meeting for the Year 2004 and adopted the following profit distribution plan for the Year 2004:

1. that RMB11,617,953.30 be allocated as statutory surplus reserve;
2. that RMB11,617,953.30 be allocated as statutory public welfare fund;
3. that RMB50,305,164, or a dividend of RMB0.042 per share (approximately HK\$0.03946), be distributed to shareholders as profit.

The above dividend was distributed to shareholders on 11 July 2005.