

REPORT OF THE SUPERVISORY COMMITTEE

To all Shareholders,

During the reporting period, the Supervisory Committee has duly carried out its supervisory duties in a stringent manner and adhered to the principles of fairness and honesty to effectively protect the interests of the Company and its employees and shareholders in accordance with the relevant provisions of the Company Law and the Company's Articles of Association.

The Supervisory Committee currently consists of nine members. During the reporting period, the Supervisory Committee convened one Financial Review Meeting and two Supervisory Committee meetings, the details of attendance of the meetings by the members are set out as follows:

Class of supervisors	Name	No. of Supervisory Committee meetings attended/held	Percentage of attendance
Independent Supervisors	XIAO Shaolian (Chairman)	2/2	100%
	SUN Fuxin	2/2	100%
	CHEN Shangwu	2/2	100%
Supervisors as representatives of shareholders	DUAN Weihong	2/2	100%
	ZHOU Fulin	2/2	100%
	CHEN Bohai	2/2	100%
Supervisors as representatives of employees	HE Peiquan	2/2	100%
	SONG Liankun	2/2	100%
	HE Shi	2/2	100%

In September 2005, certain members of the Supervisory Committee, together with the representative of Independent Non-executive Directors of the Company, conducted researches and investigations over the branches in Henan Province and Shanxi Province of Ping An Property & Casualty Insurance Company of China, Ltd. and Ping An Life Insurance Company of China, Ltd., and provided a special investigation report and recommendations for improvement. During the reporting period, members of the Supervisory Committee attended the 2005 annual general meeting and the first extraordinary general meeting of the Company in 2005 and four meetings of the Board of Directors. Through such efforts, the Supervisory Committee carried out supervision over the performance of the Company's directors and senior management. This has ensured the continuous, stable and healthy development of the Company.

The 2005 Supervisory Committee's Financial Review Meeting was held on March 28, 2006, during which the Supervisory Committee considered and reviewed the Company's 2005 Financial Review Report as well as the Feedbacks to the Questions and Recommendations in the Supervisory Committee Investigation Report, and reviewed and approved (i) the 2005 financial statements and a preliminary draft of the audit report which were prepared in accordance with the PRC Generally Accepted Accounting Principles and (ii) the 2005 financial statements and a preliminary draft of the audit report which were prepared in accordance with the International Financial Reporting Standards. The Supervisory Committee is of the view that the financial statements have been prepared in accordance with the relevant accounting standards; the accounting policies have been consistently applied and the financial statements truly and fairly reflect the financial condition and results of operations of the Group. The 7th meeting of the 4th Supervisory Committee was held on March 29, 2006, during which the Report of the Supervisory Committee, the Proposal concerning the Candidate of Non-employees' Representative of the 5th Supervisory Committee and the remuneration thereof, the Working Rules for the Supervisory Committee, Code of Conducts for Supervisors, the 2005 Assessment Report on Internal Control and the 2005 Report on the Anti-Corruption Campaign were reviewed and approved.

The Supervisory Committee concluded that, during the reporting period, all members of the Board of Directors, the Chief Executive Officer and other senior management had, under the principles of diligence, fairness and honesty, duly performed the responsibilities stipulated in the Company's Articles of Association, carefully implemented all resolutions of the general meetings and the Board of Directors, and faithfully acted on the principles of maximizing the Company's value and the shareholders' best interests. They had spared no efforts in furthering the development of the Company, and they had never breached any laws, regulations and the Articles of Association of the Company.

In the coming year, the Supervisory Committee of the Company shall continue to carry out its duties in accordance with the relevant provisions of the Company Law, the Articles of Association of the Company and the Listing Rules, and adhere to the principles of diligence, fairness and honesty, maximize its supervisory efforts with the aim of protecting the interests of the Company and its shareholders as a whole and commit to perform supervisory duties honestly and diligently, so as to achieve the best results in all respects.

By order of the Supervisory Committee

Xiao Shaolian

Chairman of the Supervisory Committee

Shenzhen, PRC

March 29, 2006