

### Dear Shareholders:

All members of the Supervisory Committee of the Company duly carried out its supervisory duties in good faith and effectively protected the interests of the Company, its shareholders and its employees strictly in accordance with the relevant provisions of the Company Law and the Articles of Association of the Company (“Articles of Association”) in the Year.

During the Year, the Supervisory Committee convened four meetings, at which nine proposals, including the Auditors’ Report and Audited Financial Statements for 2005, and the Profit Distribution Plan for 2005, were considered and approved. The supervisors attended four meetings of the Audit Committee, at which the Chief Financial Officer, the Finance Department and the Audit Department of the Company reported the financial conditions and business operations of the Company for 2005 and the first half of 2006, and the Company’s auditors reported the audit work for the Company for 2005 and the first half of 2006. The supervisors attended four shareholders’ general meetings and four meetings of the Board of Directors to perform on-site supervision of the legality of the substance and procedures of the meetings. The supervisors supervised the implementation by the Board of Directors of the resolutions of the shareholders’ general meetings, and submitted the Report of the Supervisory Committee for 2005 to the shareholders’ general meeting, at which it was approved.

To further strengthen the role of the Supervisory Committee, the Supervisory Committee nominated a new independent supervisor and convened a special shareholders’ general meeting to approve the appointment. The Supervisory Committee was re-elected in October 2006 and the second Supervisory Committee of the Company was formed with Mr Ding Yunzhou acting as its chairman.

During the Year, the Supervisory Committee conducted inspection, investigation of as well as research on the Company’s Jilin Branch and Xiamen Branch and their sub-branches, and submitted reports on the results as well as proposals on improvement to the management of the Company.

The Supervisory Committee is of the view that:

In the Year, the directors and senior management of the Company have performed their duties set forth in the Articles of Association in diligence and good faith, implemented all resolutions of the shareholders’ general meetings and those of the Board of Directors in earnest, and made persistent efforts for the Company’s development. No director or member of the senior management was found to have committed any breach of any laws, regulations or the Articles of Association or to have infringed any rights or interests of the Company, its shareholders or its employees in performing their duties during the Year.

The reviewed financial statements of the Company for the interim period of 2006 and the audited financial statements of the Company and its subsidiaries for 2006 were prepared strictly in accordance with the relevant accounting standards and consistently applied the accounting treatments, and the information contained in the financial statements gave a true and fair view of the financial conditions and operating results of the Company and its subsidiaries.

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## REPORT OF THE SUPERVISORY COMMITTEE

The connected transactions of the Company were conducted on an arm's length basis and satisfied the relevant regulatory provisions of the Stock Exchange. There was no indication of any infringement of the interests of the Company or its independent shareholders.

In 2007, the Supervisory Committee will continue to perform its supervisory duties strictly in accordance with the relevant provisions of the Company Law and the Articles of Association, further increase its supervisory efforts, protect the interests of the Company, its shareholders and its employees in earnest and accomplish its work diligently.

By Order of the Supervisory Committee

**Ding Yunzhou**

*Chairman of the Supervisory Committee*

Beijing, the PRC

17 April 2007