

### 1. SUPERVISORY COMMITTEE MEETINGS

The Supervisory Committee held two meetings in 2005, details of which are as follows:

1. The sixth meeting of the third session of the Supervisory Committee of the Company was held on 10 April 2005. The Supervisory Committee considered and approved the full text of the 2004 annual report, the 2004 annual report summary and results announcement of the Company, the 2004 financial statements of the Company, the 2004 profit distribution plan of the Company, the 2004 report of the Supervisory Committee, the proposed 2005 connected transactions framework agreements, the resolution regarding the proposed application for composite credit facilities for 2005, the resolutions appointing Ernst & Young as Hong Kong auditors and confirming PRC auditors and Hong Kong auditors' 2004 audit fees, the resolution regarding the appointment of additional supervisors and the resolution regarding amendments to the Rules of Procedure for Supervisory Committee Meetings.

The announcement of the resolutions of the Supervisory Committee was published in China Securities Journal, Securities Times, and Shanghai Securities News, South China Morning Post and Hong Kong Economic Times on 11 April 2005.

2. The seventh meeting of the third session of the Supervisory Committee of the Company was held on 23 August 2005. The Supervisory Committee considered and approved the full text of the 2005 interim report, and the 2005 interim report summary and results announcement of the Company, the financial analysis report of the Company for the six months ended 30 June 2005 and the resolution for the appointment of new PRC auditors of the Company.

The announcement of the resolutions of the Supervisory Committee was published in China Securities Journal, Securities Times, and Shanghai Securities News, South China Morning Post and Hong Kong Economic Times on 24 August 2005.

### 2. INDEPENDENT OPINION OF THE SUPERVISORY COMMITTEE

An independent opinion regarding the Company's condition for the year 2005 has been furnished by the Supervisory Committee, as follows:

1. The Company has established a proper internal controls system and comprehensive provisions have been laid down in the Articles of Association. The management systems of the Company have been further refined. The Company's decision-making procedures have complied with relevant provisions of the Company Law of the Peoples' Republic of China and the Articles of Association. The proceedings, transaction of business and implementation of resolutions in connection with shareholders' general meetings and Board of Directors' meetings of the Company were in compliance with relevant provisions of laws, regulations and the Articles of Association. The information disclosure obligations have diligently performed.
2. The Directors and the management diligently performed their duties, abided by the laws and executed all resolutions of the general meetings of shareholders and Board of Directors meetings with due care. In exercising their duties, the Directors have not violated any laws, regulations and the Articles of Association and have not acted against the interests of the Company and its shareholders.
3. The Company has formulated proper accounting systems. The 2005 financial report of the Company gives a true and accurate view of the financial position and operating results of the Company for 2005.
4. All connected transactions entered into between the Company and its connected parties have been conducted on an arm's length basis without adversely affecting the interests of the Company and its shareholders.
5. After due examination by the Supervisory Committee, the use of proceeds from the offering of overseas-listed foreign shares in 2004 has been consistent with intended use stated in the prospectus.