

Report of the supervisory committee

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To Shareholders of Xiamen International Port Co., Ltd

I. Status of the Supervisory Committee in 2005

During the reporting period, all members of the Supervisory Committee of the Company have discharged their supervisory duties and performed their work prudently and proactively according to the law in strict compliance with the provisions of the Company Law of the People's Republic of China (the "Company Law"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), the Articles of Association (the "Articles") of the Company and other relevant laws and regulations and pursuant to the strict principles of good faith in order to safeguard the interests of all shareholders and the Company.

During the reporting period, members of the Supervisory Committee have attended all Board meetings and general meetings of the Company. Where circumstances warrant, members of the Supervisory Committee have convened meetings of the Supervisory Committee in monitoring and inspecting conscientiously the financial conditions of the Company, the operating decisions of the management and the legal operation of the Company.

II. Opinion on the Work of the Company in 2005

1. In 2005, the operating activities of the Company and its subsidiaries did not act in contravention of the Company Law, the Articles, the financial and accounting system and the PRC laws and regulations.
2. In 2005, the Directors and senior officers of the Company have discharged their duties faithfully, operated legally, standardised management, created innovation, respected and safeguarded the interests of all shareholders and did not act in contravention of the Company Law, the Articles, the financial and accounting system and the PRC laws and regulations.
3. During the reporting period, the connected transactions of the Company have complied the principles of fairness, openness and equity, the pricing of the transactions have followed the principle of market pricing, determined on arms' length basis and transacted fairly which have not been detrimental to the interests of the shareholders of the Company as a whole or led to losses of assets by the Company.

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4. During the reporting period, the financial conditions of the Company was sound, financial management standardised and the internal control system was strictly implemented and enhanced continuously which warranted the working of the production and operation of the port. The annual financial report of the Company for the year ended 31 December 2005 has reflected a true, objective and accurate view of the financial conditions of the Company and the operating results for the year then ended.
5. The Auditors' Report issued by the auditors was objective and equitable.

By Order of the Supervisory Committee
Xiamen International Port Co., Ltd

FANG Zuhui
Chairman

Xiamen, PRC
18 April 2006