

Report of the Supervisory Committee

To Shareholders of Xiamen International Port Co., Ltd:

I. Status of the Supervisory Committee in 2006

During the year ended 31 December 2006, all members of the Supervisory Committee of the Company had discharged their supervisory duties honestly and faithfully 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 of the Company (the "Articles") and other relevant laws and regulations and pursuant to the principles of diligence and good faith in order to safeguard fully the interests of all the shareholders and the Company.

During the reporting period, all members of the Supervisory Committee of the Company had attended all the Board meetings and general meetings of the Company convened in 2006, reviewed minutes and resolutions of such meetings and made reasonable recommendations and advices in the meetings in respect of the business operation and development plan of the Company. Where circumstances warrant, meetings of the Supervisory Committee were convened to monitor and review conscientiously the operating decisions of the management, the financial conditions and the legal operation of the Company.

II. Independent Opinion of the Supervisory Committee in respect of relevant matters of the Company in 2006

1. Operation of the Company in compliance with the law

During the reporting period, the Supervisory Committee had monitored, reviewed and supervised the operation of the Company in accordance with the applicable laws, regulations and the Articles. The Supervisory Committee had monitored and reviewed conscientiously the management system of the Company, the status of performance of duties by senior management of the Company, the convening procedures of and resolutions passed in the general meetings and Board meetings, and supervised the implementation of the resolutions passed in the meetings. The Supervisory Committee was of the opinion that a comprehensive internal control system had been established by the Company and the decision-making procedures of the Company are in compliance with all the applicable legal requirements. The Company had already set up a standardised operation system strictly in accordance with the laws and regulations of the State and the requirements of the Listing Rules. All members of the Board and the senior management of the Company had, in their operations management, discharged their duties faithfully and operated the Company in compliance with applicable legal requirements with the goals of maximising shareholders' return, corporate value and operation efficiency of the Company, so as to maximize growth in the operating results and complete the mission conferred on

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them by shareholders in a satisfactory manner. No contravention of laws or regulations or the Articles nor acts detrimental to the interests of the shareholders and the Company were found.

2. Financial position of the Company

The Supervisory Committee had conducted review on the 2006 financial report, the 2006 profit allocation proposal and the 2006 auditors' report issued by the auditors. The Supervisory Committee was of the opinion that the financial condition of the Company was sound with standardised financial management, and the internal control system had been strictly implemented and enhanced continuously. The 2006 financial report of the Company gives a true and fair view of the financial conditions and operating results of the Company for the reporting period. The auditors' report issued by the auditors of the Company is objective and fair and the Supervisory Committee concurred to the said auditors' opinion and agreed with the 2006 profit allocation proposal of the Company.

3. Connected transactions of the Company

The Supervisory Committee was of the opinion that, during the reporting period, the connected transactions of the Company had complied with the principles of fairness, openness and equity, and were concluded in the ordinary course of business of the Company on normal commercial terms. Further, these connected transactions were fair and reasonable to the Company and its shareholders and not detrimental to the interests of the Company and its shareholders.

In 2007, all Supervisors of the Supervisory Committee will continue to discharge their duties in strict compliance with the powers conferred on them by the applicable laws, regulations and the Articles in order to safeguard fully the legal interests of the shareholders and the Company.

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

Fang Zuhui
Chairman

Xiamen, PRC
10 April 2007