

# Report of the Supervisory Committee

## 監事會報告

### To our shareholders,

The members of the Company's Supervisory Committee (the "Committee"), as abided by the Company Law of the PRC, the relevant laws and regulation of Hong Kong and the Company's Articles of Association, have conscientiously exercised their functions and powers for the protection of the interests of the shareholders and the Company in adherence to the principle of faithfulness and fairness and have performed their duties with prudence, due initiatives and diligence with respect to enhancing the transparency and standardization in the Company's operation, establishing a trustworthy reputation for the Company in the capital market, and further improving the Company's corporate governance structure.

During the Year, members of the committee attended the general meetings of the Company and the Board's meetings and provided advices on certain important issues, such as the Company's operation and management, project development and capital investment. In addition, the Committee carried out stringent and effective supervision on the Company's policy decisions, to ensure the shareholders' interest and the staff's benefit were protected, and that the major decisions of the Company were made in compliance with the PRC laws and regulations, the regulatory ordinance in Hong Kong and the Company's constitution.

The Committee supervised and regularly examined the Company's financial position and has reviewed the financial reports and profit distribution proposals prepared by the Board for the submission to the general meeting of the Company as scheduled in a serious manner. Full concurrence was given to the financial reports and profit distribution proposals for the year. The Committee considered members of the Board of Directors and other senior management staff have complied with their fiduciary duties and discharged their duties diligently in the interest of the shareholders. No abuse of duty was found among Directors and senior management staff and no infringement of the Company's interest or the benefit of the shareholders or the staff was discovered so far.

### 各位股東：

公司監事會（「本監事會」）按照《中華人民共和國公司法》、香港的有關法律、法規及公司章程的規定，本監事會成員本著誠信、公正的原則，認真履行職責，從維護股東權益及公司利益出發，恪盡職守、勤勉盡職，在提高公司運作的透明度和規範化程度、樹立公司在資本市場上的誠信形象、進一步完善公司的法人治理結構等方面認真履行職責，合理謹慎的工作。

在本年度內監事會列席報告期內的董事會會議，對公司經營管理、項目開發與資金投放等重大問題積極提出參考意見，對公司管理層的重大決策與重要決定是否符合國家法律法規、香港監管條例及公司章程，是否維護股東及員工利益進行了嚴格有效的監督。

監事會成員定期審查公司的財務狀況，如期核對董事會議提交股東大會的財務報告及利潤分配方案，並進行認真的監督。對本年度財務報告及利潤分配方案表示同意。監事會認為公司董事會成員及其它高級管理人員，嚴格遵守誠信守則，工作勤勉盡責，真誠地以股東最大利益為出發點行使職權。至今未發現董事及高級管理人員濫用職權，損害本公司利益以及侵犯本公司股東和本公司員工權益之行為。

In the opinion of the Committee, during 2004, the Company's financial statements, financial management and accounting function have complied with the Accounting Law of the PRC, and the accounting standards issued by the PRC Ministry of Finance and International Financial Reporting Standards. The financial reports truly reflect the financial position and the results of the operations of the Company. The Committee is satisfied with the results and economic efficiency achieved by the Company for 2004.

On behalf of the Committee, I would like to express our gratitude to our shareholders for their continuous support and concern.

By order of the Supervisory Committee  
**Ma Suxiang**  
*Chairman of the Supervisory Committee*

Shanghai, the PRC  
29 March 2005

監事會確認：在二零零四年度，公司的會計賬目、財務管理與會計核算工作符合《中華人民共和國會計法》，中華人民共和國財政部頒佈的會計制度及國際財務報告準則的規定，公司的財務報告真實地反映了公司的財務狀況和經營成果，並對二零零四年度各項工作所取得的經濟效益表示滿意。

謹此，本人謹代表本監事會感謝全體股東對監事會工作的支持與關心。

承監事會命  
監事會主席  
**馬蘇翔**

中國上海  
二零零五年三月二十九日