

# 監事會報告書

## Report of the Supervisory Committee

致各位股東：

截至二零零五年十二月三十一日止年度（本年度），哈爾濱動力設備股份有限公司監事會（本監事會）全體成員，按照《中華人民共和國公司法》、《香港聯合交易所有限公司之證券上市規則》和本公司章程賦予的職責，認真履行監事會職能，通過參加股東大會、列席公司董事會會議和召開監事會會議，對公司提交的有關資料進行審議，對公司生產經營活動和董事會成員、經理層人員履行職責等實施了監督。並對公司的生產經營、技術改造及投資計劃等重大事項積極參與，加強監督，提出諸多建設性意見和建議，促進和保證了公司各項工作的健康開展。

對公司本年度之工作，本監事會發表如下獨立意見：

1. 在本年度內，公司能夠嚴格執行國家法律、法規，按上市公司的規範程序運作，認真執行股東大會及董事會的各項決議，以提高經濟效益和核心競爭力為目標，全面落實科學發展觀，深入開展降成本、降費用，提高經濟效益活動，通過深化改革、加強管理，充分調動廣大員工的積極性和主動性，全面、超額完成了生產經營目標，實現了主要產品產量由1,200萬千瓦到2,000萬千瓦的巨大飛躍，經濟效益創歷史新高，其經營業績是令人滿意的。

To all shareholders:

For the year ended 31st December, 2005, all members of the Supervisory Committee ("the Committee") of Harbin Power Equipment Company Limited ("the Company") carefully fulfilled their Supervisory Committee functions in accordance with the regulations of the PRC Company Law, the Listing Rules of the DKSE and the Articles of Association of the Company. The Committee has reviewed documents submitted by the Company and supervised the Company's activities and the manager level members' work performance by way of participating in the General Meeting and the Company's Board of Directors Meetings and setting up Supervisory Committee Meetings. In addition, the Committee participated actively in big events of the Company, such as the Company's production, management, technology renovation and investment plan etc., reinforced the supervision and gave a lot of positive opinions and suggestions, which pushed forward and assured the Company's work to smoothly develop.

For the Company's work during the period under review, the Committee presents the following independent opinions:

1. During the period under review, the Company operated strictly according to national laws, regulations and rules and procedures for Listing Companies, carefully carried out all resolutions of the General Meetings, aimed at improving the economic efficiency and key competitive ability, completely fulfilled the scientific developing, worked with the strategy of reducing cost and improving the economic efficiency. Through deepening reform, strengthening management and sufficiently manoeuvring the employee's positivity and activities, the Company has finished production and operation task in all field and even excessively, realized the great leap from 12,000MW to 20,000MW on its main products output. In general, the Company created the historical new highest in its economic efficiency, the managing results are satisfied.

## 監事會報告書(續)

### Report of the Supervisory Committee – (continued)

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| <p>2. 本監事會認為，公司董事、經理及其高級管理人員在履行職責、遵紀守法、維護股東權益等方面盡職盡責，能夠認真執行股東大會和董事會的決議、決定，尚未發現有違反國家法律、法規和公司章程以及損害公司利益的行為。</p>   | <p>2. The Committee is aware that the directors, the managers and other senior managers have actively carried out their duties in accordance with provisions of relevant laws and the Article of Association of the Company, and in the best interests of the shareholders. In addition, they carried out carefully the resolutions and decisions from the General Meetings and the Board of Directors. They have not abused their powers to act against the regulations of national laws, rules and the Article of Association of the Company, and interests of the Company.</p>   |
| <p>3. 本監事會對公司的財務制度和財務狀況進行了審查，認為公司的財務系統組織機構完整、制度健全，財務工作能夠按照內部控制制度和財務管理制度有序運行。通過成立財務結算中心，進一步強化了資金管理，保證了資金的安全和有效運用。董事會擬提交本次股東周年大會審議的年度財務報告和紅利分配方案等相關資料，均能夠如實地反映了公司的財務狀況、資產狀況和經營成果，尚未發現違紀、違規問題。</p> | <p>3. The Committee has reviewed the Company's financial system and financial situations and got the conclusion that the Company's organization and system of the financial section are complete. In addition, through establishing the Financial Balancing Centre, with further strengthening capital management, the financial work was operated step by step according to inner control system and the financial management system, and ensured the capital operate safely and efficiently. The annual financial statement and dividend distribution scheme and the related documents submitted by the Board of Directors to the Annual General Meeting for reviewing could truly reflect financial situation, asset situation and operation results of the Company. There were on any abuses of acting against disciplines and regulations.</p> |
| <p>4. 本監事會審核了董事會工作報告，認為報告客觀真實地評價和反映了公司在本年度所做的各項工作。</p>  | <p>4. The Committee reviewed work report of the Board of Directors. These reports truly, fully and fairly reflected the Company's every operation in this year.</p>   |
| <p>5. 本監事會認為，公司的關聯交易均按公平合理之原則訂立，尚未發現有損害公司利益和股東權益的行為。</p>  | <p>5. The Committee is aware that the connected transactions of the Company are done in fair and reasonable principle. There were on any abuses of acting against the interests of the Company and shareholders.</p>  |

## 監事會報告書(續)

### Report of the Supervisory Committee – (continued)

本監事會由衷感謝公司各位同仁及股東的信任和支援，並將積極探索新的監督途徑和方法，制定具體的監督檢查措施，更好地履行監督職能，為全面實現公司二零零六年度的生產經營目標和保障股東權益而努力工作。

承監事會命  
主席  
郎恩齊

於中國哈爾濱•二零零六年四月十四日

The Committee sincerely appreciates trust and support from every employee of the Company and shareholders. With positively exploring new supervisory approach and method, establishing detailed supervisory and inspect method, the Committee will performance supervisory function better and work hard for achieving production and operation target in 2006 of the Company.

For and on behalf of the Supervisory Committee  
**Lang en-qi**  
*Chairman*

Harbin, the People's Republic of China, 14th April, 2006