

# 監事會報告書

## Report of the Supervisory Committee

致各位股東：

截止二零零六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、經理層人員履行公司職責等實施了監督。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，提出諸多建設性意見和建議，促進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，認真執行股東大會的各項決議，以提高經濟效益和綜合競爭力為目標，全面落實科學發展觀，堅持企業可持續發展的戰略方針，深入開展加強管理、提高經濟效益活動，生產經營指標和效益指標又創歷史新高，其經營業績是令人滿意的。
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、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、股東和員工權益的行為。

To all shareholders:

For the year ended 31st December, 2006 (the year), all members of the Supervisory Committee ("the Committee") of Harbin Power Equipment Company Limited carefully fulfilled their Supervisory Committee functions in accordance with the regulations of the PRC Company Law, the Listing Rules of The Stock Exchange of Hong Kong Limited 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 convening up Supervisory Committee Meetings. In addition, the Committee participated actively in significant events of the Company, such as the Company's production, management, technology renovation and investment plan etc. and gave a lot of positive opinions and suggestions, which pushed forward 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 year under review, the Company strictly complied with the nation's laws and regulations, operated in accordance with the procedures regulating listing companies, and duly executed various resolutions passed at the shareholders' meeting. With the aim of increasing cost effectiveness and overall competitiveness, the Company fully implemented the scientific approach of development, insisted on the strategic policy of sustainable development, deepened and strengthened its management and enhanced activities of cost effectiveness. The Company's productivity and business benchmark and its efficiency benchmark all reached their new high, with a satisfactory business performance.
2. The Committee is aware that the directors, the managers and other senior managers have actively carried out their duties 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, interests of the Company and rights and interests of the shareholders and employees.

## 監事會報告書(續)

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

3. 本監事會對公司的財務制度和有關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。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，均能夠客觀、全面地反映公司的經營業績和資產狀況，紅利分配方案兼顧了股東權益和公司發展的長遠利益，本年度提取的法定公積金符合法律、法規和公司章程的規定。

4. 本監事會審核了董事會工作報告，認為報告客觀真實地反映了公司在本年度所做的各項工作。

5. 本監事會認為，公司要進一步加強資產財務管理和提高經濟效益工作，為股東及員工創造更高的回報。

本監事會由衷感謝公司各位同仁及股東的信任和支持，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，為全面實現公司二零零七年度的生產經營目標而努力工作。

承監事會命  
主席  
郎恩齊

於中國哈爾濱，二零零七年四月二十日

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 and the financial work was operated step by step according to inner control system and the financial management system. The proposed annual financial report and dividend scheme by the Board of Directors, for approval of the Annual General Meeting, objectively and comprehensively reflected the operation results and asset condition of the Company. Both interests of shareholders and the Company's long-term development have been taken into account in the dividend scheme. Statutory reserve provided in the year were in accordance with provisions of laws and regulations, and Articles of Association of the Company.

4. The Supervisory Committee reviewed the report of the Board. It is of the opinion that the report gives an objective and true picture of the works performed by the Company during the year.

5. The Supervisory Committee believes that in order to generate higher returns for shareholders and staff members, the Company should further strengthen its asset and finance management, and enhance its cost effectiveness.

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 perform supervisory function better and work hard for achieving production and operation target in 2007 of the Company.

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

Harbin, the People's Republic of China, 20th April, 2007