

CHANGE OF FINANCIAL YEAR

The board of directors, with the recommendation of the audit committee, wishes to announce the change of the Company's financial year from the current financial year, which commences from 1st July and ends on 30th June to 1st January and ends on 31st December, i.e. on a calendar year basis.

For effecting the change the company will have its current financial year and audited accounts to commence from 1st July 2003 and ends on 31st December 2003 and the succeeding financial year and audited accounts will be from 1st January 2004 to 31st December 2004. Thereafter, the financial year and audited accounts will commence on 1st January and end on 31st December each year on calendar year basis.

The principal activities of the Asia Power Group of Companies are conducted in the People's Republic of China (PRC) with its subsidiaries and associated companies incorporated in the PRC. The subsidiary and associated companies are required to adopt the Accounting System in China to have their financial year to coincide with the calendar year.

The Company considers that the change will yield cost effectiveness for the Group and ease the cyclical effect between the first half and the second half experienced in a calendar year of those subsidiary and associated companies. With the change of financial year end, the Company will not need to have the financial results of its subsidiary and associated companies in a calendar year to be cut-off at its mid year period as at 30th June for consolidation purposes.

With the change, it will comply with the provision of the Companies Act (Chapter 50) section 200 that the holding company and its subsidiary have the same financial year period.

The Company has secured the approval from the relevant authorities for effecting the change.

By Order of the Board
Pang Hin Long
Company Secretary
30 September 2003