

CLARIFICATIONS ON ANNUAL REPORT

With reference to the Company's Annual Report for the financial year ended 30 June 2001, the Board of Directors of Asia Power Corporation Limited wishes to confirm the following information:-

- (a) the Significant Related Party Transactions under Note 28 on page 52 do not fall within the definition of Chapter 9A SGX Listing Manual relating to Interested Persons Transaction and the provisions of Chapter 9A are therefore not applicable; and
- (b) pursuant to Clause 902(4)(a) of the SGX Listing Manual, Ng Fook Ai is considered an independent director of the Company and the Audit Committee of the Company is in line with paragraph 5(b) of the Best Practices Guide which states that "a majority of members of the Audit Committee, including its chairman, should be independent of management".