

DISCLOSURE OF ACQUISITION

Further to the announcements made on 09 Nov 2000 and 21 Mar 2001, the Board of Directors of Asia Power Corporation Limited (“Asia Power” or the “Company”) is pleased to announce the completion of the restructuring exercise at the associated company, Changzhou Changya Electric Power Co., Ltd (“Changya”), whose name has been officially changed to Changzhou Suyuan Electric Power Co., Ltd (“Changzhou Suyuan”).

As a result of the exercise, the Company receives a proceeds of USD907,854.00 (RMB7,525,640.30) being the difference net of taxation between a cash inflow of RMB22,888,572.50 from the sale of its 23% equity interest and a cash outflow of RMB14,058,750 for subscription of rights issue to increase the paid-up capital of Changzhou Suyuan. Asia Power’s prior 48% shareholdings in Changya was re-valued at RMB2.31 per share, representing a capital gain of RMB1.31 per share, or RMB12,961,822.50 (USD1,562,927.00) in total recognized capital gains.

Upon the completion of the exercise, the Company has become the single largest shareholder owning 24,840,000 shares, or 25% equity interest in the enlarged share capital of RMB99,360,000 (USD12,000,000) in Changzhou Suyuan (Changya).