



Blue Power Soap Division
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Lumber Depot Division
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Chairman's Report for the Quarter ended July 31, 2015

Combined sales for the quarter ended July 31, 2015 were \$302 million as compared to \$278 million for the same period last year, an increase of \$24 million or 8.7%. Lumber Depot division saw an increase in sales of \$28 million from \$184 million to \$212 million. Sales for the Blue Power division, however, declined by \$3.5 million from \$93.46 million in 2014 to \$89.95 million in 2015.

Profits before tax for the three months stood at \$21 million compared to \$29 million in the same period last year, a decline of 28%. However, the five-year concession in terms of tax-free status expired in April 2014 resulting in an estimated tax liability of \$2.19 million which reduces Net Profits to \$18.60 which is \$10.40 million less than the comparative period last year. The contribution of Lumber Depot division to the before tax tally was \$7.55 million (\$6.09 million in 2014), while Blue Power division added \$13.24 million (\$22.59 million in 2014). Earnings per stock unit for the quarter moved down from \$0.51 to \$0.33.

The positive features of this quarter's results are that the declines experienced during the fourth quarter of 2014-15 have been reversed. Overall sales on a quarter-to-quarter basis increased from \$259.90 million to \$301.93 as a result of both divisions showing improvements over the previous quarter. Lumber Depot division improved from \$189.07 in Q4(14-15) to \$211.98 in Q1(15-16) and Blue Power division went from \$70.83 in Q4(14-15) to \$89.95 in Q1(15-16).

We attribute some of the improvements in the Lumber Depot division to the whole range of changes made in the previous six months in terms of service, advertising, web site development, etc. In the Blue Power division, we resumed sales to one of our major customers while shipping a number of containers of laundry soap to Guyana.

Our expenditure on promotion has risen significantly in keeping with our strategy to attract more business to the Lumber Depot division and to diversify the range of outlets which carry our branded products. Success in establishing our brands in both divisions will have positive benefits in the long run.

During the quarter, Mayberry West Indies acquired sufficient shares to reach their goal of over 20% of the outstanding shares which will enable them to treat us as an associated company. We welcome their commitment and will work with their team to improve benefits to all shareholders.

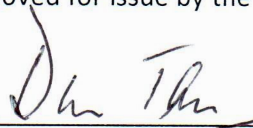
We are blessed by the support and commitment of our customers, suppliers and staff to whom we take this opportunity to extend our gratitude.

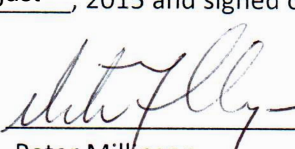
Dhiru Tanna
Chairman
August 23, 2015

Blue Power Group Limited
Consolidated Statement of Financial Position
Three months ended July 31, 2015

	Unaudited July 31, 2015	Unaudited July 31, 2014	Audited April 30, 2015
ASSETS:			
Non-current assets			
Property, plant and equipment	69,368,342	63,817,880	72,321,671
Current assets			
Cash and cash equivalents	167,684,327	155,818,875	166,007,884
Accounts receivable and prepayments	74,176,086	81,338,253	75,374,886
Inventories	266,306,424	220,454,994	249,516,246
Taxation recoverable	387,458	2,000,875	2,416,874
	<u>508,554,295</u>	<u>459,612,997</u>	<u>493,315,890</u>
Current liabilities			
Accounts payable	58,333,359	64,601,677	64,157,906
Due to related party	349,590	209,790	349,590
Current portion of long term liabilities	1,482,003	-	1,976,004
	<u>60,164,952</u>	<u>64,811,467</u>	<u>66,483,500</u>
Net Current Assets	<u>448,389,343</u>	<u>394,801,530</u>	<u>426,832,390</u>
Total Assets Less Current Liabilities	<u>517,757,685</u>	<u>458,619,410</u>	<u>499,154,061</u>
EQUITY			
Share capital	86,900,147	86,900,147	86,900,147
Retained earnings	423,121,938	371,719,263	404,518,314
	<u>510,022,085</u>	<u>458,619,410</u>	<u>491,418,461</u>
NON-CURRENT LIABILITIES			
Long-term loan	7,245,328	-	7,245,328
Deferred taxation	490,272	-	490,272
	<u>7,735,600</u>	<u>-</u>	<u>7,735,600</u>
Total Equity And Non-Current Liabilities	<u>517,757,685</u>	<u>458,619,410</u>	<u>499,154,061</u>

Approved for issue by the Board of Directors on 26 August, 2015 and signed on its behalf by:

 Director
Dr. Dhiru Tanna

 Director
Peter Millingen

Blue Power Group Limited
Consolidated Statement of Profit or loss and Other Comprehensive Income
Three months ended July 31, 2015

	Unaudited July 31, 2015	Unaudited July 31, 2014	Audited April 30, 2015
Revenue	301,926,831	277,890,318	1,060,257,891
Cost of revenue	<u>(237,620,554)</u>	<u>(211,885,950)</u>	<u>(838,984,243)</u>
Gross profit	64,306,278	66,004,368	221,273,648
Administrative and other expenses	<u>(46,034,778)</u>	<u>(40,350,496)</u>	<u>(156,692,137)</u>
Other income	18,271,500	25,653,872	64,581,511
	<u>2,541,220</u>	<u>2,863,005</u>	<u>2,157,621</u>
Profit before net finance costs and taxation	<u>20,812,720</u>	<u>28,516,877</u>	<u>66,739,132</u>
Finance income	1,275,999	1,167,565	7,736,912
Finance cost	<u>(1,302,547)</u>	<u>(1,001,342)</u>	<u>(3,865,280)</u>
Net financial income	<u>(26,548)</u>	<u>166,223</u>	<u>3,871,632</u>
Profit for the year	20,786,172	28,683,100	70,610,764
Taxation	<u>(2,182,548)</u>	<u>-</u>	<u>(653,763)</u>
Profit attributable to members, being total comprehensive income for the year	<u>18,603,624</u>	<u>28,683,100</u>	<u>69,957,001</u>
Earnings per stock unit	<u>\$ 0.33</u>	<u>\$ 0.51</u>	<u>\$ 1.24</u>

Blue Power Group Limited
Consolidated Statement of Changes in Equity
Three months ended July 31, 2015

	<u>Share Capital</u>	<u>Retained earnings</u>	<u>Total</u>
	\$	\$	\$
Balances as at April 30, 2014 (audited)	86,900,147	343,036,163	429,936,310
Total comprehensive income for the quarter	<u>-</u>	<u>28,683,100</u>	<u>28,683,100</u>
Balances as at July 31, 2014 (unaudited)	<u>86,900,147</u>	<u>371,719,263</u>	<u>458,619,410</u>
Balances as at April 30, 2015 (audited)	86,900,147	404,518,314	491,418,461
Total comprehensive income for the quarter	<u>-</u>	<u>18,603,624</u>	<u>18,603,624</u>
Balance as quarter end July 31, 2015 (unaudited)	<u>86,900,147</u>	<u>423,121,938</u>	<u>510,022,085</u>

Blue Power Group Limited
Consolidated Statement of Cash Flows
Three months ended July 31, 2015

	Unaudited July 31, 2015	Unaudited July 31, 2014	Audited April 30, 2015
Cash Flows From Operating Activities			
Profit for the quarter	18,603,624	28,683,100	69,957,001
Adjustments for:			
Interest Income	(1,275,999)	(1,167,565)	(3,485,463)
Interest expense	1,302,547	-	222,293
Depreciation	3,165,531	893,377	3,988,870
Taxation	2,182,548	-	653,763
	<u>23,978,251</u>	<u>28,408,912</u>	<u>71,336,464</u>
Inventories	(16,790,178)	13,989,150	(15,072,102)
Accounts receivables and prepayments	1,198,800	(3,479,143)	2,484,224
Accounts payable	(5,824,547)	(5,754,408)	(6,198,179)
Cash provided by operations	2,562,326	33,164,511	52,550,407
Interest paid	(1,302,547)	-	(222,293)
Interest received	1,275,999	1,167,565	3,485,463
Taxation deducted at source	(153,132)	(291,895)	(871,385)
Cash provided by operating activities	<u>2,382,646</u>	<u>34,040,181</u>	<u>54,942,192</u>
Cash Flows From Investing Activity			
Purchase of property, plant and equipment	(212,202)	(14,527,348)	(26,126,632)
Cash used by investing activity	<u>(212,202)</u>	<u>(14,527,348)</u>	<u>(26,126,632)</u>
Cash Flows From Financing Activities			
Proceeds from long -term loan			9,880,000
Related party advances received	-	22,295	162,095
Long-term loan repaid	(494,001)	-	(658,668)
Cash (used)/provided by Financing Activities	<u>(494,001)</u>	<u>22,295</u>	<u>9,383,427</u>
Net cash provided before dividends	1,676,442	19,535,128	38,198,987
Dividends paid	-	-	(8,474,850)
Net increase in cash and cash equivalents	1,676,442	19,535,128	29,724,137
Cash and cash equivalents at beginning of the period	166,007,884	136,283,747	136,283,747
Cash and cash equivalents at end of period	<u>\$ 167,684,326</u>	<u>155,818,875</u>	<u>166,007,884</u>
Comprised of:			
Cash and bank balances	<u><u>\$ 167,684,327</u></u>	<u><u>155,818,875</u></u>	<u><u>166,007,884</u></u>

Blue Power Group Limited
Consolidated Segment Reporting
Three months ended July 31, 2015

	Lumber Division	Soap Division	Total
	\$	\$	\$
Turnover	211,978,189	89,948,642	301,926,831
Profit from operations	6,748,357	11,523,143	18,271,500
Other income	1,151,926	1,389,294	2,541,220
Net finance income	(351,658)	325,110	(26,548)
Profit before taxation	7,548,625	13,237,547	20,786,172
Taxation	(792,606)	(1,389,942)	(2,182,548)
Profit for the period	6,756,020	11,847,604	18,603,624
Segment assets			
Non-current	31,530,112	36,689,230	68,219,342
Current assets	271,936,106	238,800,737	510,736,843
	<u>303,466,218</u>	<u>275,489,967</u>	<u>578,956,185</u>
Segment liabilities			
Current liabilities	51,760,395	7,255,557	59,015,952
Other segment items:			
Capital expenditure	129,513	82,689	212,202
Depreciation	949,343	2,216,188	3,165,531

Blue Power Group Limited
Consolidated Segment Reporting
Three months ended July 31, 2014

	Lumber Division	Soap Division	Total
	\$	\$	\$
Revenue	184,425,283	93,465,035	277,890,318
Profit from operations	4,151,982	21,501,890	25,653,872
Other income	2,144,988	718,017	2,863,005
Net finance costs	(208,130)	374,353	166,223
Profit for the period	6,088,840	22,594,260	28,683,100
Segment assets			
Non-current	27,260,733	36,557,147	63,817,880
Current assets	267,705,926	191,907,071	459,612,997
	<u>294,966,659</u>	<u>228,464,218</u>	<u>523,430,877</u>
Segment liabilities			
Current liabilities	46,914,569	17,896,898	64,811,467
Other segment items:			
Capital expenditure	212,141	14,315,208	14,527,349
Depreciation	316,566	576,812	893,378

Blue Power Group Limited
Consolidated Segment Reporting
Year ended April 30, 2015

	Lumber Division	Soap Division	Total
	₹	₹	₹
Revenue	734,754,349	325,503,542	1,060,257,891
Profit from operations	23,934,732	40,646,779	64,581,511
Other income	2,157,621	-	2,157,621
Net finance income	-	3,871,632	3,871,632
Profit for the period	26,092,353	44,518,411	70,610,764
Segment assets			
Non-current	32,349,941	39,971,730	72,321,671
Current assets	269,903,656	223,412,234	493,315,890
	302,253,597	263,383,964	565,637,561
Segment liabilities			
Current liabilities	53,724,513	12,758,987	66,483,500
Other segment items:			
Capital expenditure	6,560,592	19,566,040	26,126,632
Depreciation	1,575,809	2,413,061	3,988,870

1 Identification and principal activities

Blue Power Group Limited (the company) is incorporated and domiciled in Jamaica. The registered office of the company is located at 4 Victoria Avenue, Kingston CSO. The company is listed on the Junior Market of the Jamaica Stock Exchange. The company and its two wholly-owned subsidiaries are referred to as the "group"

The main activities of the company and the group comprise the manufacture and sale of soaps and the sale of lumber, hardware supplies and other related products.

2 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board, and comply with the relevant provisions of the Jamaican Companies Act. These financial statements are presented in Jamaica dollars.

3 Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance; and for which discrete financial information is available.

The group has two reportable segments, as described below, which are the group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

The primary reportable segments are:

- (i) Soap division - Manufacture and sale of soaps
- (ii) Lumber division - Sale of lumber, hardware supplies and related products

The manufacturing operations are conducted at 4 Victoria Avenue, Kingston and the lumber division operations are carried out mainly at Papine in St. Andrew, Jamaica.

Transactions between business segments have been eliminated.

4 Significant accounting policies

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended April 30, 2015.

BLUE POWER GROUP LIMITED

JULY 31, 2015

TOTAL SHARES OUTSTANDING: 56,499,000

DIRECTORS AND CONNECTED PARTIES REPORT

PRIMARY HOLDER (JOINT HOLDER)	RELATIONSHIP	UNITS	PERCENTAGE
KENNETH BENJAMIN**	SELF	3,175,200	5.6199
FELICE CAMPBELL	SELF	0	0.0000
NOEL DAWES***	SELF	1,412,715	2.5004
JEFFREY HALL (SWEE TEEN CHUA)	SELF	257,070	0.4550
PETER MILLINGEN	SELF	921,100	1.6303
DHIRU TANNA* (LAURA TANNA)	SELF	10,000	0.0177
LAURA TANNA*	SELF	0	0.0000
*ANTIBES HOLDINGS LTD	CONNECTED PARTY	28,300,800	50.0908
**GUARDSMAN GROUP	CONNECTED PARTY	687,285	1.2165
***KAREL DAWES	CONNECTED PARTY	3,807	0.0067

SENIOR MANAGERS REPORT

PRIMARY HOLDER (JOINT HOLDER)	RELATIONSHIP	UNITS	PERCENTAGE
LISA KONG	SELF	0	0.0000
VERONICA LOWE	SELF	0	0.0000

TOP 10 SHAREHOLDERS

PRIMARY HOLDER (JOINT HOLDER)	UNITS	PERCENTAGE
ANTIBES HOLDINGS LIMITED	28,300,800	50.09
MAYBERRY WEST INDIES LIMITED	11,372,043	20.13
KENNETH BENJAMIN	3,175,200	5.62
JANE FRAY	3,095,400	5.48
NOEL DAWES	1,412,715	2.50
SILVER INVESTMENTS LIMITED	1,077,816	1.91
JPS EMPLOYEE SUPERANNUATION FUND	921,451	1.63
PETER MILLINGEN	921,100	1.63
PAM-INDIVIDUAL RETIREMENT SCHEME	891,451	1.58
GUARDSMAN GROUP LTD	687,285	1.22