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Chairman's Report
Financial Statements Year ended April 30, 2010

General

Blue Power Group Limited received a tremendous response from the investing public. The IPO in March was heavily oversubscribed, resulting in the full amount being taken up in the first minute. The company was listed on the Junior Market of the Jamaica Stock Exchange on April 22, 2010.

Revenue

Company revenue for the year increased by \$48.7 million or 7.52% from \$647.7 million to \$696.5 million. However, profits from operations increased by \$11.4 million or 31.7% from \$36.1 million to \$47.5 million. Profit after tax increased by \$14.2 million or 96.15% from \$14.8 million to \$29 million. Although both divisions showed improved performance, the improvement in after tax profit of the soap division was over 240%, having recovered from previous year's overhang of high raw material prices.

Balance Sheet

As a result of the IPO, a substantial portion of the company's debt has been retired. Share capital has increased from \$5.9 million to \$86.9 million and non-current liabilities have been reduced from \$96 million to \$30.5 million. Receivables and prepayments show an increase from \$36.7 million to \$74.3 million. This was due largely to a late payment by an important customer of the lumber division. The payment was received in early May.

Prospects for 2010-2011

All necessary preparations for the launch of new products at the soap division have been completed and the second quarter will see a gradual roll-out. The tax impact of the listing on the Junior Stock Exchange will be felt in the new year.

A handwritten signature in blue ink, appearing to read "Dhiru Tanna".

Dhiru Tanna
Chairman
June 28, 2010