

# Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

## Interim Condensed Combined statement of financial position

|                                                | 30 June 2015<br>(Un audited) | 31 December 2014<br>(Audited) |
|------------------------------------------------|------------------------------|-------------------------------|
| <b>Assets</b>                                  |                              |                               |
| <b>Non-current assets</b>                      |                              |                               |
| Intangible assets                              | 13,550,659                   | 13,833,090                    |
| Property, plant and equipment                  | 653,730,810                  | 668,155,881                   |
| Bank deposits                                  | 22,024,956                   | 22,104,711                    |
| Trade and other receivables                    | 1,200,200                    | 1,218,906                     |
| Other non-current financial assets             | 394,813                      | 2,769,369                     |
|                                                | <b>690,901,438</b>           | <b>708,081,957</b>            |
| <b>Current assets</b>                          |                              |                               |
| Inventories                                    | 3,507,107                    | 5,343,015                     |
| Trade and other receivables                    | 40,824,445                   | 37,128,726                    |
| Bank deposits                                  | 4,415,900                    | 4,699,326                     |
| Cash and cash equivalents                      | 48,130,101                   | 65,568,340                    |
|                                                | <b>96,877,553</b>            | <b>112,739,407</b>            |
| <b>Total assets</b>                            | <b>787,778,991</b>           | <b>820,821,364</b>            |
| <b>Equity and liabilities</b>                  |                              |                               |
| <b>Equity</b>                                  |                              |                               |
| Invested equity                                | 196,487,979                  | 196,487,979                   |
| Currency translation reserve                   | (49,513,282)                 | (45,468,546)                  |
| Other reserves                                 | 1,068,671                    | 1,068,671                     |
| Retained earnings                              | 42,843,192                   | 47,254,921                    |
| <b>Total equity attributable to the Parent</b> | <b>190,886,560</b>           | <b>199,343,025</b>            |
| Non-controlling interests                      | 666,731                      | 500,909                       |
| <b>Total equity</b>                            | <b>191,553,291</b>           | <b>199,843,934</b>            |
| <b>Liabilities</b>                             |                              |                               |
| <b>Non-current liabilities</b>                 |                              |                               |
| Retirement benefit obligations                 | 337,794                      | 282,040                       |
| Borrowings                                     | 532,457,604                  | 529,224,971                   |
| Deferred tax liabilities                       | 9,106,844                    | 11,298,399                    |
|                                                | <b>541,902,242</b>           | <b>540,805,410</b>            |
| <b>Current liabilities</b>                     |                              |                               |
| Trade and other payables                       | 33,345,444                   | 47,204,566                    |
| Current tax liabilities                        | 318,398                      | 1,496,614                     |
| Borrowings                                     | 8,114,087                    | 8,751,357                     |
| Borrowings from unrestricted entities          | 12,545,529                   | 22,719,483                    |
|                                                | <b>54,323,458</b>            | <b>80,172,020</b>             |
| <b>Total liabilities</b>                       | <b>596,225,700</b>           | <b>620,977,430</b>            |
| <b>Total equity and liabilities</b>            | <b>787,778,991</b>           | <b>820,821,364</b>            |

## Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

### Interim Condensed Combined statement of profit or loss

|                                                                                                           | Six months ended<br>30 June 2015<br>(Un audited) | Nine months ended<br>31 December 2014<br>(Audited) |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------|
| Revenue                                                                                                   | 46,986,966                                       | 90,359,933                                         |
| Other income                                                                                              | 108,996                                          | 5,109,165                                          |
| Power generation expenses                                                                                 | (5,030,143)                                      | (3,128,438)                                        |
| Employee benefits expense                                                                                 | (2,258,241)                                      | (2,919,675)                                        |
| Other operating expenses                                                                                  | (3,370,788)                                      | (3,937,345)                                        |
| Excess of Restricted Group's interest in the fair value of<br>acquiree's assets and liabilities over cost | -                                                | 2,036,236                                          |
| <b>Earnings before interest, taxes, depreciation, and<br/>amortization (EBITDA)</b>                       | <b>36,436,790</b>                                | <b>87,519,876</b>                                  |
| Depreciation and amortization                                                                             | (12,151,455)                                     | (16,525,355)                                       |
| <b>Operating profit before exceptional items</b>                                                          | <b>24,285,335</b>                                | <b>70,994,521</b>                                  |
| Exceptional items (net)                                                                                   | -                                                | 6,177,759                                          |
| <b>Operating profit</b>                                                                                   | <b>24,285,335</b>                                | <b>77,172,280</b>                                  |
| Finance income                                                                                            | 759,969                                          | 1,286,878                                          |
| Finance cost                                                                                              | (28,741,549)                                     | (34,746,059)                                       |
| <b>Profit before tax</b>                                                                                  | <b>(3,696,245)</b>                               | <b>43,713,099</b>                                  |
| Income tax expense                                                                                        | (549,662)                                        | (8,634,194)                                        |
| <b>Profit for the period</b>                                                                              | <b>(4,245,907)</b>                               | <b>35,078,905</b>                                  |
| <b>Attributable to:</b>                                                                                   |                                                  |                                                    |
| Equity holders of the Restricted Group                                                                    | (4,411,729)                                      | 34,674,922                                         |
| Non-controlling interests                                                                                 | 165,822                                          | 403,983                                            |
|                                                                                                           | <b>(4,245,907)</b>                               | <b>35,078,905</b>                                  |

## Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

### Interim Condensed Combined statement of comprehensive income

|                                                                       | Six months ended<br>30 June 2015<br>(Un audited) | Nine months ended<br>31 December 2014<br>(Audited) |
|-----------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------|
| Profit for the period                                                 | (4,245,907)                                      | 35,078,905                                         |
| <b>Other comprehensive income</b>                                     |                                                  |                                                    |
| <b>Items that will be reclassified subsequently to profit or loss</b> |                                                  |                                                    |
| Exchange differences on translating foreign operations                | (4,044,736)                                      | (32,112,856)                                       |
| <b>Total other comprehensive income</b>                               | <b>(4,044,736)</b>                               | <b>(32,112,856)</b>                                |
| <b>Total comprehensive income</b>                                     | <b>(8,290,643)</b>                               | <b>2,966,049</b>                                   |
| <b>Total comprehensive income attributable to:</b>                    |                                                  |                                                    |
| Equity holders of the Restricted Group                                | (8,456,465)                                      | 2,562,066                                          |
| Non-controlling interest                                              | 165,822                                          | 403,983                                            |
|                                                                       | <b>(8,290,643)</b>                               | <b>2,966,049</b>                                   |

## Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

### Interim Condensed Combined statement of changes in equity

|                                                        | Invested<br>equity | Currency<br>translation<br>reserve | Other<br>reserves | Retained<br>earnings | Total equity<br>attributable<br>to the<br>Parent | Non-<br>controlling<br>interests | Total equity        |
|--------------------------------------------------------|--------------------|------------------------------------|-------------------|----------------------|--------------------------------------------------|----------------------------------|---------------------|
| <b>At 1 April 2014</b>                                 | 185,897,025        | (13,355,690)                       | 584,688           | 14,299,263           | 187,425,286                                      | 96,926                           | 187,522,212         |
| Transactions with the Unrestricted Group (note 3.1)    | <b>10,590,954</b>  | -                                  | -                 | <b>(1,719,264)</b>   | <b>8,871,690</b>                                 | -                                | <b>8,871,690</b>    |
| Government grants                                      | -                  | -                                  | <b>483,983</b>    | -                    | <b>483,983</b>                                   | -                                | <b>483,983</b>      |
| Transaction with owners                                | <b>10,590,954</b>  | -                                  | <b>483,983</b>    | <b>(1,719,264)</b>   | <b>9,355,673</b>                                 | -                                | <b>9,355,673</b>    |
| Profit for the period                                  | -                  | -                                  | -                 | 34,674,922           | 34,674,922                                       | 403,983                          | 35,078,905          |
| <b>Other comprehensive income</b>                      |                    |                                    |                   |                      |                                                  |                                  |                     |
| Exchange differences on translating foreign operations | -                  | <b>(32,112,856)</b>                | -                 | -                    | <b>(32,112,856)</b>                              | -                                | <b>(32,112,856)</b> |
| <b>At 31 December 2014</b>                             | <b>196,487,979</b> | <b>(45,468,546)</b>                | <b>1,068,671</b>  | <b>47,254,921</b>    | <b>199,343,025</b>                               | <b>500,909</b>                   | <b>199,843,934</b>  |
| Profit for the period                                  |                    |                                    |                   | (4,411,729)          | <b>(4,411,729)</b>                               | 165,822                          | <b>(4,245,907)</b>  |
| <b>Other comprehensive income</b>                      |                    |                                    |                   |                      |                                                  |                                  |                     |
| Exchange differences on translating foreign operations |                    | (4,044,736)                        |                   |                      | <b>(4,044,736)</b>                               |                                  | <b>(4,044,736)</b>  |
| <b>At 30 June 2015</b>                                 | <b>196,487,979</b> | <b>(49,513,282)</b>                | <b>1,068,671</b>  | <b>42,843,192</b>    | <b>190,886,560</b>                               | <b>666,731</b>                   | <b>191,553,291</b>  |

# Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

## Interim Condensed Combined statement of cash flow

|                                                                                                           | 30 June 2015<br>(Un audited) | 31 December 2014<br>(Audited) |
|-----------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------|
| <b>A. Cash flows from operating activities</b>                                                            |                              |                               |
| Profit before income tax                                                                                  | (3,696,245)                  | 43,713,099                    |
| <i>Adjustments for</i>                                                                                    |                              |                               |
| Depreciation and amortization                                                                             | 12,151,455                   | 16,525,355                    |
| Other income                                                                                              | -                            | (5,109,165)                   |
| Exceptional items                                                                                         | -                            | (6,177,759)                   |
| Finance income                                                                                            | (759,969)                    | (1,286,878)                   |
| Finance cost                                                                                              | 28,741,549                   | 34,746,059                    |
| Excess of Restricted Group's interest in the fair value of<br>acquiree's assets and liabilities over cost | -                            | (2,036,236)                   |
| <i>Changes in working capital</i>                                                                         |                              |                               |
| Inventories                                                                                               | 1,825,864                    | (824,478)                     |
| Trade and other receivables                                                                               | (4,429,320)                  | (6,432,246)                   |
| Trade and other payables                                                                                  | (3,805,139)                  | (412,998)                     |
| <i>Cash generated from operations</i>                                                                     | 30,028,195                   | 72,704,753                    |
| Taxes paid                                                                                                | (3,624,738)                  | (1,774,214)                   |
| <b>Net cash from operating activities</b>                                                                 | 26,403,457                   | 70,930,539                    |
| <b>B. Cash flows from investing activities</b>                                                            |                              |                               |
| Purchase of property, plant and equipment and capital<br>expenditure                                      | (11,648,006)                 | (83,847,642)                  |
| Acquisition of business, net of cash acquired                                                             | -                            | (17,854,375)                  |
| Purchase of investments                                                                                   | -                            | (3,838,037)                   |
| Investment in mutual funds                                                                                | -                            | (16,455)                      |
| Bank deposits                                                                                             | 255,999                      | 2,751,253                     |
| Interest received                                                                                         | 568,918                      | 696,047                       |
| <b>Net cash used in investing activities</b>                                                              | (10,823,089)                 | (102,109,209)                 |
| <b>C. Cash flows from financing activities</b>                                                            |                              |                               |
| Increase in the invested equity                                                                           | -                            | 13,282,373                    |
| Repayment of borrowings to Unrestricted Group                                                             | (10,164,584)                 | (61,059,373)                  |
| Proceeds from borrowings (net of costs)                                                                   | -                            | 611,835,737                   |
| Repayment of borrowings                                                                                   | (632,298)                    | (446,903,669)                 |
| Interest paid                                                                                             | (22,342,367)                 | (31,555,070)                  |
| <b>Net cash from financing activities</b>                                                                 | (33,139,249)                 | 85,599,998                    |
| <b>Net increase in cash and cash equivalents</b>                                                          | (17,558,881)                 | 54,421,328                    |
| Cash and cash equivalents at the beginning of the period                                                  | 65,568,340                   | 9,629,675                     |
| Exchange gain/(loss) on cash and cash equivalents                                                         | 120,642                      | 1,517,337                     |
| <b>Cash and cash equivalents at the end of the period</b>                                                 | 48,130,101                   | 65,568,340                    |

# Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

## 1. General information

Greenko Group plc (“Greenko” or “the Parent”) together with its subsidiaries (“Greenko Group”) is in the business of owning and operating clean energy facilities in India through Greenko Energies Private Limited, a subsidiary of Greenko. All the energy generated from these plants is sold to state utilities and other customers including captive consumers in India through power purchase agreements (“PPA”). The Greenko Group is also a part of the Clean Development Mechanism (“CDM”) process and generates and sells Certified Emission Reductions (“CER”), Voluntary Emission Reductions (“VER”) and Renewable Energy Certificates (“REC”).

The interim condensed combined financial statements presented herein reflect the Restricted Group’s results of operations, assets and liabilities and cash flows for the periods presented.

## 2. Basis of preparation

The combined financial statements (“the interim financial statements”) are for the six months ended 30 June 2015 and are presented in US Dollars. The interim financial statements have been prepared in accordance with International Accounting Standard 34 (IAS 34) Interim Financial Reporting and do not include all of the information required in annual financial statements in accordance with International Financial Reporting Standards and should be read in conjunction with the combined financial statements of the Restricted Group for the year ended 31 December 2014.

## 3. Significant accounting policies

The combined financial statements have been prepared in accordance with the accounting policies adopted in the Restricted Group’s last annual financial statements for the year ended 31 December 2014. The presentation of the Interim Financial Statements is consistent with the audited Combined Financial Statements.

## 4. Estimates

The preparation of the Interim condensed combined Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management’s best judgments at the date of the Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

## Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

### 5. Intangible assets

|                                     | Licences          | Electricity<br>PPAs | Goodwill         | Total             |
|-------------------------------------|-------------------|---------------------|------------------|-------------------|
| <b>Cost</b>                         |                   |                     |                  |                   |
| At 1 January 2015                   | 10,721,617        | 489,499             | 3,348,082        | <b>14,559,198</b> |
| Exchange differences                | (70,637)          | (3,224)             | (22,057)         | <b>(95,918)</b>   |
| At 30 June 2015                     | <b>10,650,980</b> | <b>486,275</b>      | <b>3,326,025</b> | <b>14,463,280</b> |
| At 1 April 2014                     | 5,474,210         | 515,807             | 3,528,020        | 9,518,037         |
| Acquisition on business combination | 5,832,361         | -                   | -                | 5,832,361         |
| Exchange differences                | (584,954)         | (26,308)            | (179,939)        | (791,201)         |
| At 31 December 2014                 | <b>10,721,617</b> | <b>489,499</b>      | <b>3,348,081</b> | <b>14,559,197</b> |
| <b>Accumulated amortization</b>     |                   |                     |                  |                   |
| At 1 January 2015                   | 456,882           | 269,225             | -                | <b>726,107</b>    |
| Charge for the period               | 144,667           | 49,308              | -                | <b>193,975</b>    |
| Exchange differences                | (5,006)           | (2,455)             | -                | <b>(7,461)</b>    |
| At 30 June 2015                     | <b>596,543</b>    | <b>316,078</b>      | -                | <b>912,621</b>    |
| At 1 April 2014                     | 290,549           | 206,323             | -                | 496,872           |
| Charge for the period               | 188,513           | 81,287              | -                | 269,800           |
| Exchange differences                | (22,180)          | (18,385)            | -                | (40,565)          |
| At 31 December 2014                 | <b>456,882</b>    | <b>269,225</b>      | -                | <b>726,107</b>    |
| <b>Net book value</b>               |                   |                     |                  |                   |
| <b>At 30 June 2015</b>              | <b>10,054,437</b> | <b>170,197</b>      | <b>3,326,025</b> | <b>13,550,659</b> |
| At 31 December 2014                 | 10,264,735        | 220,274             | 3,348,081        | 13,833,090        |

## Greenko Restricted Group

(All amounts in US Dollars unless otherwise stated)

### 6. Property, plant and equipment

|                                          | Land              | Buildings          | Plant and machinery | Furniture and equipment | Vehicles         | Capital work-in-progress | Total               |
|------------------------------------------|-------------------|--------------------|---------------------|-------------------------|------------------|--------------------------|---------------------|
| <b>Cost</b>                              |                   |                    |                     |                         |                  |                          |                     |
| At 1 January 2015                        | 10,654,011        | 117,702,617        | 522,574,735         | 1,161,146               | 1,173,190        | 50,250,621               | <b>703,516,320</b>  |
| Additions                                | 534,252           | 4,275,023          | 18,845,978          | 68,877                  | 975              | 1,614,168                | <b>25,339,273</b>   |
| Disposals/Capitalisation                 | -                 | -                  | -                   | -                       | -                | (23,532,167)             | <b>(23,532,167)</b> |
| Exchange differences                     | (77,565)          | (834,465)          | (3,685,228)         | (8,601)                 | (7,743)          | (28,510)                 | <b>(4,642,112)</b>  |
| At 30 June 2015                          | <b>11,110,698</b> | <b>121,143,175</b> | <b>537,735,485</b>  | <b>1,221,422</b>        | <b>1,166,422</b> | <b>28,304,112</b>        | <b>700,681,314</b>  |
| At 1 April 2014                          | 6,391,383         | 112,939,809        | 320,045,922         | 985,458                 | 1,146,073        | 120,545,056              | 562,053,701         |
| Additions                                | 4,653,241         | 1,626,612          | 131,406,805         | 134,265                 | 56,264           | 70,896,059               | 208,773,246         |
| Disposals/Capitalisation                 | -                 | -                  | -                   | -                       | -                | (139,071,933)            | (139,071,933)       |
| Acquisition through business combination | 130,295           | 9,458,007          | 97,909,932          | 102,483                 | 33,328           | -                        | 107,634,045         |
| Exchange differences                     | (520,908)         | (6,321,811)        | (26,787,924)        | (61,060)                | (62,475)         | (2,118,561)              | (35,872,739)        |
| At 31 December 2014                      | <b>10,654,011</b> | <b>117,702,617</b> | <b>522,574,735</b>  | <b>1,161,146</b>        | <b>1,173,190</b> | <b>50,250,621</b>        | <b>703,516,320</b>  |
| <b>Accumulated depreciation</b>          |                   |                    |                     |                         |                  |                          |                     |
| At 1 January 2015                        | -                 | 11,502,461         | 23,070,250          | 365,437                 | 422,291          | -                        | <b>35,360,439</b>   |
| Charge for the period                    | -                 | 1,884,040          | 9,946,409           | 67,537                  | 59,494           | -                        | <b>11,957,480</b>   |
| Exchange differences                     | -                 | (101,788)          | (258,683)           | (3,340)                 | (3,604)          | -                        | <b>(367,415)</b>    |
| At 30 June 2015                          | -                 | <b>13,284,713</b>  | <b>32,757,976</b>   | <b>429,634</b>          | <b>478,181</b>   | -                        | <b>46,950,504</b>   |
| At 1 April 2014                          | -                 | 9,278,480          | 10,894,287          | 289,098                 | 352,346          | -                        | 20,814,211          |
| Charge for the period                    | -                 | 2,810,857          | 13,258,416          | 94,695                  | 91,587           | -                        | 16,255,555          |
| Exchange differences                     | -                 | (586,876)          | (1,082,453)         | (18,356)                | (21,642)         | -                        | (1,709,327)         |
| At 31 December 2014                      | -                 | <b>11,502,461</b>  | <b>23,070,250</b>   | <b>365,437</b>          | <b>422,291</b>   | -                        | <b>35,360,439</b>   |
| <b>Net book value</b>                    |                   |                    |                     |                         |                  |                          |                     |
| <b>At 30 June 2015</b>                   | <b>11,110,698</b> | <b>107,858,462</b> | <b>504,977,509</b>  | <b>791,788</b>          | <b>688,241</b>   | <b>28,304,112</b>        | <b>653,730,810</b>  |
| At 31 December 2014                      | 10,654,011        | 106,200,156        | 499,504,485         | 795,709                 | 750,899          | 50,250,621               | 668,155,881         |

## **Greenko Restricted Group**

(All amounts in US Dollars unless otherwise stated)

7. During the previous year, the restricted Group had changed its presentation currency from 'EURO' to 'US Dollar' ("US\$") and also the financial year from fiscal to calendar year and presented combined financial statements for a period of nine months from 1 April 2014 to 31 December 2014. The audited combined financial statements for the year ended 31 December 2014 are presented as comparative amounts. Accordingly, the comparative amounts for the income statement, statement of changes in equity, cash flow statement and related notes are not entirely comparable.