

# **MPC CARIBBEAN CLEAN ENERGY LIMITED**

**Unaudited Financial Statements for the  
Quarter ended March 31, 2020  
and Compilation Report**

# **MPC CARIBBEAN CLEAN ENERGY LIMITED**

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**Chairman's Report to the Shareholders**  
**First Quarter Ended March 31, 2020**

Dear Shareholders,

On behalf of the board of directors, I am pleased to present the first quarter of this year's report of MPC Caribbean Clean Energy Limited (**Company or MPCCEL**) for the quarter ended March 31<sup>st</sup>, 2020.

The first quarter saw the business of the Company in line with the previous forecasts despite the unprecedented effects on the economic and social spheres globally caused by the COVID-19 pandemic. The main effects of the pandemic were however evident in the administrative operations of the Company. As a result, due to the international structure of the underlying investment and its investees, the established chain of reporting was impacted and therefore, caused delays in our usual financial reporting process. Sincere apologies for any inconvenience and hope for a swift recover to business as usual. To date, the operational performance of the assets were not adversely impacted by the COVID-19 global pandemic. As we continue to monitor the effects of the pandemic on the operations of the assets, we will continue to keep you abreast.

Also, the Rights Issue which has started in the fourth quarter of 2019, has been successfully closed. The Company was seeking to increase the share capital by issuing new Class B shares through renounceable rights, where each existing shareholder was entitled to have the right to purchase two new Class B shares for each Class B share already owned. Shareholders were also given the opportunity to renounce these rights, making them available for other shareholders, or for new investors. The Rights Issue was closed on January 10<sup>th</sup>, 2020 and 10,242,382 new Class B shares at 1.00 USD per share were issued and listed.

The clearance of the subscription of the additionally raised capital in the MPC Caribbean Clean Energy Fund LLC (**Investment Company**), is now nearing completion and should occur in the third quarter of this year.

In this quarter, the underlying assets of the Company's investment in the Investment Company showed solid performance again.

Going forward and for greater transparency, the board requested from MPC Renewable Energies GmbH (**Investment Advisor**) the following key performance indicators (**KPI**) that will be included in the quarterly Chairman's Report to the Shareholders. The KPIs reflect the pro-rated share of the Company in the financial performance of the underlying investee's of the Investment Company as well as the average technical performance on an aggregated basis (meaning not on an asset by asset basis).

- EBITDA
- Energy Output Variation
- Availability

KPI	Q1 2020
EBITDA	\$1,390,012.63
Energy Output Variation	-0.60%
Weighted Average Availability	95.57%

The Energy Output Variation is calculated as an accumulated difference of the actual generated energy (kWh) and the forecast (P50) energy output for the relevant period. P50 is essentially a statistical level of confidence and basis for our predicted energy generation.



Availability is defined as the percentage of time during a month that the wind turbine is operations-ready and available to produce power. This is independent of whether or not enough wind is available for the wind turbine to produce power. In regards to solar parks, it is the proportion of time that the is operations-ready and usable to produce power over a specified time period.

Please note that the productive irradiation hours and wind speeds are depending on short (daily), mid (monthly) and long-term (annual and multi-year) weather patterns. Therefore, the high degree of variability of revenue and cost patterns shown are not equally distributed throughout the year. Subsequently, the KPI are most meaningful in an annual comparison or with previous years' quarter (meaning comparing for instance Q2 of year (t) with Q2 of year (t-1) rather than with Q1 of year (t)).

All KPI's for the quarter ended March 31<sup>st</sup>, 2020, are within our expectations and meeting materially the forecasts of each asset.

Costa Rican and Jamaican governments announced travel restrictions, containment measures, quarantine, curfew and various infrastructure closures in order to reduce the impact of COVID-19. Consequently, risk assessment and mitigation measures for the continued operations of the wind farm and the solar park have been made by the Investment Advisor of the Investment Company preventing the current operations of both assets from being adversely affected.

The Investment Advisor of the Investment Company was trained in January with its new Environment and Social Management System (ESMS), development of which was completed in December 2019. This will be used as a basis for social engagement and management for both, current and future assets of the Investment Company.

I thank our shareholders and my fellow directors for their support and trust during this period.

Respectfully Yours,  
For and on behalf of the Company

A handwritten signature in blue ink that reads "Jose Fernando Zuniga G." The signature is written in a cursive style.

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Fernando Zuniga  
Chairman of the Board of Directors



MPC CARIBBEAN CLEAN ENERGY LIMITED  
 TOP 10 SHAREHOLDINGS  
 As at March 31st, 2020

	Name	Joint Holder/ Connected interest	Volume	Percentage
1	SAGICOR POOLED EQUITY FUND	-	4,192,300	19.35%
2	TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY	-	4,070,000	18.78%
3	SAGICOR BALANCED FUND	-	2,307,690	10.65%
4	CARIBBEAN CLEAN ENERGY FEEDER LIMITED	-	2,100,000	9.69%
5	JN FUND MANAGERS LIMITED FOR JN POOLED PENSION LOCAL EQUITY FUND	-	1,494,428	6.90%
6	DEVELOPMENT BANK OF JAMAICA	-	1,000,000	4.62%
7	MF&G TRUST & FINANCE LTD - A/C 57	-	822,000	3.79%
8	NCB INSURANCE CO. LTD. A/C WT157	-	429,000	1.98%
9	SAGICOR EQUITY FUND	-	384,610	1.78%
10	JAMAICA MONEY MARKET BROKERS LTD FM10	-	321,000	1.48%

MPC CARIBBEAN CLEAN ENERGY LIMITED  
 DIRECTOR SHAREHOLDINGS  
 As at March 31st, 2020

	Name	Joint Holder/ Connected interest	Volume	Percentage
	Fernando Zuniga	-	-	-
	Alastair Dent	-	-	-
	Steven D. Marston	-	-	-
	A. Mark D. Hart	-	-	-
	Guardian Nominees (Barbados) Limited	-	-	-

## COMPILATION REPORT

To The Management of  
**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
Suite 1, Ground Floor  
Bishop's Court Hill  
St. Michael  
Barbados BB14004

We have compiled the accompanying statements of MPC Caribbean Clean Energy Limited based on information you have provided. These financial statements comprise the statement of financial position of MPC Caribbean Clean Energy Limited as at March 31, 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), *Compilation Engagements*.

We have applied our expertise in accounting and financial reporting to assist you in preparation and presentation of these financial statements on the basis of accounting described in Note 2 to the financial statements. We have compiled with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with IFRS.

TRIDENT CORPORATE SERVICES (BARBADOS) LIMITED

July 28, 2020

**MPC CARIBBEAN CLEAN ENERGY LIMITED**

**Statement of Financial Position**



As at March 31, 2020


(Expressed in United States dollars)

	NOTES	Unaudited 31-Mar-20	Unaudited 31-Mar-19	Audited 31-Dec-19
<b>Current Assets</b>				
Investment- MPC Caribbean Clean Energy Fund LLC		9,907,530	10,650,000	9,907,530
Cash and cash equivalents		10,005,361	542,874	89,436
Prepayments		7,740	8,896	3,656
<b>Total Assets</b>		<u>19,920,631</u>	<u>11,201,770</u>	<u>10,000,622</u>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Accruals		16,306	15,114	31,884
Accounts payable		77,505	21,153	5,754
Due to related party		57,651	228,762	55,059
		<u>151,462</u>	<u>265,029</u>	<u>92,697</u>
<b>Equity</b>				
Share capital		20,005,779	11,261,295	10,105,327
Accumulated deficit		<u>(236,610)</u>	<u>(324,554)</u>	<u>(197,402)</u>
		<u>19,769,169</u>	<u>10,936,741</u>	<u>9,907,925</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>19,920,631</u>	<u>11,201,770</u>	<u>10,000,622</u>

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on 28 day July, 2020.

   
 By: Guardian Nominees (Barbados) Limited  
 Director  
 Per:  
 Gayle A. Hutchinson / Amanda G. McKay  
 Title: Directors

  
 By: Jose Fernando Zuniga Gallindo

**MPC CARIBBEAN CLEAN ENERGY LIMITED****Statement of Comprehensive Income**

For the period ended March 31, 2020

(Expressed in United States dollars)

	<b>NOTES</b>	<b>Unaudited</b>	<b>Audited</b>
		<b>31-Mar-20</b>	<b>31-Mar-19</b>
			<b>31-Dec-19</b>
<b>Income</b>			
Valuation gain on investment		-	272,407
		-	272,407
<b>Expenses</b>			
Accountancy fees		4,400	11,241
Administrative fees		28,584	42,676
Advertising		-	34,985
Audit fee		-	18,000
Bank charges		943	3,926
Directors' fees		4,125	20,639
Entertainment		-	113
Legal & professional fees		-	54,726
Licence fees		125	500
Insurance expense		656	21,663
Other expenses		375	2,508
Corporate fees		-	1,750
		<u>39,208</u>	<u>212,727</u>
<b>Income/(loss) before tax</b>		(39,208)	59,680
Taxation		-	-
<b>Net income/(loss) and comprehensive income/(loss)</b>		<u>(39,208)</u>	<u>59,680</u>
<b>(Loss) / profit per share</b>	<b>4</b>	<b>(0.00)</b>	<b>0.01</b>
<b>Weighted average number of shares</b>		21,666,542	11,424,160

The accompanying notes form an integral part of these financial statements.



**MPC CARIBBEAN CLEAN ENERGY LIMITED****Statement of Changes in Equity**

For the period ended March 31, 2020

(Expressed in United States dollars)

	<u>Number of shares</u>	<u>Class A share capital</u>	<u>Class B share capital</u>	<u>Accumulated deficit</u>	<u>Total</u>
<b>Balance at January 1, 2019</b>	-	1	-	(257,082)	(257,081)
Issuance of redeemable shares	-	-	11,261,294	-	11,261,294
Comprehensive loss for the period	-	-	-	(67,472)	(67,472)
<b>Balance as at March 31, 2019</b>	<u>-</u>	<u>1</u>	<u>11,261,294</u>	<u>(324,554)</u>	<u>10,936,741</u>
<b>Balance at January 1, 2019</b>		1	-	(257,082)	(257,081)
Issuance of redeemable shares	11,424,160	-	11,120,203	-	11,120,203
Comprehensive income for the period	-	-	-	59,680	59,680
Distributions		-	(1,014,877)	-	(1,014,877)
<b>Balance as at December 31, 2019</b>	<u>11,424,160</u>	<u>1</u>	<u>10,105,326</u>	<u>(197,402)</u>	<u>9,907,925</u>
<b>Balance at January 1, 2020</b>	11,424,160	1	10,105,326	(197,402)	9,907,925
Issuance of redeemable shares	10,242,382	-	9,900,452	-	9,900,452
Comprehensive loss for the period	-	-	-	(39,208)	(39,208)
<b>Balance as at March 31, 2020</b>	<u>21,666,542</u>	<u>1</u>	<u>20,005,778</u>	<u>(236,610)</u>	<u>19,769,169</u>

The accompanying notes form an integral part of these financial statements.

**MPC CARIBBEAN CLEAN ENERGY LIMITED****Statement of Cash Flows**

For the period ended March 31, 2020

(Expressed in United States dollars)

	<b>Unaudited</b>	<b>Audited</b>
	<b>31-Mar-20</b>	<b>31-Mar-19</b>
		<b>31-Dec-19</b>
<b>Cash flows from operating activities</b>		
(Loss)/income before tax	(39,208)	(67,472)
Adjustments for:		
Valuation gain on investment	-	-
Distribution received	-	-
Operating profit/(loss) before working capital changes	(39,208)	(67,472)
Prepayments	(4,084)	(4,229)
Investments	-	(10,650,000)
Deferred underwriting costs	-	177,864
Accounts payable	71,751	(109,867)
Accruals	(15,578)	(144,601)
Due to related party	2,592	79,482
<b>Net cash used in operating activities</b>	<b>15,473</b>	<b>(10,718,823)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from subscription of share capital	9,900,452	11,261,294
Distribution	-	-
<b>Net cash flow from financing activities</b>	<b>9,900,452</b>	<b>11,261,294</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>9,915,925</b>	<b>542,471</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>89,436</b>	<b>403</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>10,005,361</b>	<b>89,436</b>

The accompanying notes form an integral part of these financial statements.

# **MPC CARIBBEAN CLEAN ENERGY LIMITED**

## **Notes to the Financial Statements**

For the period ended March 31, 2020

(Expressed in United States dollars)

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### **1. General Information**

MPC Caribbean Clean Energy Limited (the "Company") was incorporated on November 8, 2017, under the laws of Barbados as an International Business Company as defined by the International Business Companies Act 1991 - 24. With effect from January 1, 2019, the International Business Companies Act 1991-24 was repealed. The Company continues as a Regular Business Company under the Companies Act Cap. 308. The Company principally engages in investment holding.

The Company's registered number is:- 42056

The Company's registered office address is:-

Suite 1, Ground Floor  
The Financial Services Centre  
Bishop's Court Hill  
St. Michael, Barbados, BB 140004

The Company's shares were listed on the Junior Market of the Jamaican Stock Exchange and Trinidad Stock Exchange in January 2019.

### **2. Summary of Significant Accounting Policies**

The principal accounting policies applied in the preparation of these interim financial statements are as compared with the most recent annual audited financial statements.

### **3. Basis of Preparation**

The unaudited interim financial statements have been prepared in accordance with International Accounting Standards 34 - Interim Financial Statements. The interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The unaudited interim financial statements are prepared under the historical cost convention and are expressed in USD (United States Dollars) which is the functional currency of the Company.

### **4. Loss per share**

Earnings per share is calculated by dividing the profit or loss for the period by the weighted average number of ordinary shares in issue over that period.

	<b>Period Ended 31-Mar-20</b>	<b>Period Ended 31-Mar-19</b>
Net loss attributable to ordinary shareholders	(39,208)	(67,472)
Weighted average number of shares	21,666,542	11,424,160
Loss per share	(0.00)	(0.01)

## **MPC CARIBBEAN CLEAN ENERGY LIMITED**

### **Notes to the Financial Statements**

For the period ended March 31, 2020

(Expressed in United States dollars)

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#### **4. Loss per share (Continued)**

On November 8, 2019, the company opened a Rights Issuance where existing shareholders were given the option to acquire two new shares for every share that they originally owned. All the non-exercised rights were made available to new investors to purchase.

The issuance period closed on January 10, 2020. All applications were satisfied in full and 10,242,382 new Class B shares were issued and allotted to applicants in both the markets of Jamaica and Trinidad and Tobago, increasing the total Class B shares issued to 21,666,542. Once the corporate and AML requirements are completed, the recently raised funds, net of underwriting costs and administrative expenses will be invested into MPC Caribbean Clean Energy Fund LLC.