

MPC CARIBBEAN CLEAN ENERGY LIMITED

**Unaudited Financial Statements for the
Second quarter ended June 30, 2020
and Compilation Report**

MPC CARIBBEAN CLEAN ENERGY LIMITED

Table of Contents

	Page
Chairman's Report to the Shareholders	1-3
Compilation Report	4
Statement of Financial Position	5
Statement of Comprehensive Income	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9-10



Chairman’s Report to the Shareholders
Second Quarter Ended June 30, 2020

Dear Shareholders,

On behalf of the board of directors, I am pleased to present unaudited financial results of MPC Caribbean Clean Energy Limited (**Company or MPCCEL**) for the six months ended June 30th, 2020.

Second quarter in review

During the first half of the year, the Company has demonstrated strong operational resilience particularly in light of the challenging environment presented by the COVID-19 pandemic. The focus has been on finalizing compliance clearance and admittance of the additional capital raised into the MPC Caribbean Clean Energy Fund LLC (**Investment Company**) and ensuring that the operations of the Company and the investment results of the Investment Company are in line with expectations.

Income

During the 2019 financial reporting period, the Company categorized its investment in the Investment Company as “Investment in Associates and Joint Ventures” as per IAS 28 and as previously communicated, the investment structure is now accounted under the rules of Investment Entities as per IFRS 10.27. As a result, some amendments were made to previously reported 2019 interim financial statements to reflect the change in accounting policy, namely, the switch from the equity method to the fair value approach as per IFRS. Therefore, no revenue is recognized in the second quarter as it should be based on the valuation of the investment.

Please also note that an annual external appraisal by an independent valuation firm was conducted in December 2019. The Investment Company will have this appraisal performed annually in order to validate the investments for future assessments

Portfolio Highlights

The following 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	Q2 2020
EBITDA	\$697,659.21
Energy Output Variation	-7.07%
Weighted Average Availability	99.61%

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 daily, monthly and annual weather patterns. Multi-year weather patterns are also considered for assessment of long-term asset life and the effects of meteorological phenomenon such as “El Nino” or “La Nina”. Therefore, the high degree of variability of revenue and cost patterns are shown and revenue and costs are not equally distributed throughout the year. Subsequently, the KPIs 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)).

Outlook

The board remains in close communication with the Investment Company and its investment advisor to continuously assess and monitor any impact on the business of the underlying investee’s of the Investment Company.

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

Respectfully Yours,
For and on behalf of the Company

A handwritten signature in blue ink that reads "Jose Fernando Zuniga G." with a horizontal line underneath the name.

Fernando Zuniga
Chairman of the Board of Director



MPC CARIBBEAN CLEAN ENERGY LIMITED
TOP 10 SHAREHOLDINGS
As at June 30th, 2020

	Name	Joint Holder/ Connected interest	Volume	Percentage
1	TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY	-	4,995,582	23.06%
2	SAGICOR POOLED EQUITY FUND	-	4,192,300	19.35%
3	SAGICOR BALANCED FUND	-	2,307,690	10.65%
4	CARIBBEAN CLEAN ENERGY FEEDER LIMITED	-	1,165,745	5.38%
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 June 30th, 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 June 30, 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

August 6, 2020

MPC CARIBBEAN CLEAN ENERGY LIMITED**Statement of Financial Position**

As at June 30, 2020

(Expressed in United States dollars)

	NOTES	Unaudited 30-Jun-20	Unaudited 30-Jun-19	Audited 31-Dec-19
Current Assets				
Investment- MPC Caribbean Clean Energy Fund LLC		9,907,530	10,650,000	9,907,530
Cash and cash equivalents		9,927,148	273,701	89,436
Prepayments		4,993	17,719	3,656
Total Assets		19,839,671	10,941,420	10,000,622
LIABILITIES AND EQUITY				
Current Liabilities				
Accruals		16,306	28,568	31,884
Accounts payable		33,367	2,299	5,754
Due to related party		57,819	6,644	55,059
		<u>107,492</u>	<u>37,511</u>	<u>92,697</u>
Equity				
Share capital		20,005,779	11,246,297	10,105,327
Accumulated deficit		(273,600)	(342,388)	(197,402)
		<u>19,732,179</u>	<u>10,903,909</u>	<u>9,907,925</u>
TOTAL LIABILITIES AND EQUITY		19,839,671	10,941,420	10,000,622

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

Approved by the Board of Directors on 13th day August, 2020.

By: Guardian Nominees (Barbados) Limited
Director

Per:

W. A. Smit / Amanda G. McKay

Title: Directors



By: Jose Fernando Zuniga Gallindo

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Comprehensive Income

For the period ended June 30, 2020

(Expressed in United States dollars)

	NOTES	Unaudited Three months ended		Unaudited Six months ended		Audited Year ended
		30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19	31-Dec-19
Income						
Valuation gain on investment		-	-	-	-	272,407
		-	-	-	-	272,407
Expenses						
Accountancy fees		2,600	1,850	7,000	5,863	11,241
Administrative fees		12,315	(5,435)	40,899	20,581	42,676
Advertising		1,354	-	1,354	-	34,985
Audit fee		-	6,250	-	6,250	18,000
Bank charges		546	759	1,489	2,150	3,926
Directors' fees		4,125	6,097	8,250	6,972	20,639
Entertainment		-	-	-	-	113
Legal & professional fees		12,790	(3,573)	12,790	31,102	54,726
Licence fees		125	125	250	250	500
Travel expense		2,760	-	2,760	-	-
Insurance expense		-	10,753	656	10,753	21,663
Other expenses		-	635	750	635	2,508
Corporate fees		375	375	-	750	1,750
		36,990	17,836	76,198	85,306	212,727
(Loss)/income before tax		(36,990)	(17,836)	(76,198)	(85,306)	59,680
Taxation		-	-	-	-	-
Net (loss)/income and comprehensive (loss)/income		(36,990)	(17,836)	(76,198)	(85,306)	59,680
(Loss) / profit per share	4	(0.00)	(0.00)	(0.00)	(0.01)	0.01
Weighted average number of shares		21,666,542	11,424,160	21,666,542	11,424,160	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 June 30, 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>
Balance at January 1, 2019	-	1	-	(257,082)	(257,081)
Issuance of redeemable shares	-	-	11,246,296	-	11,246,296
Comprehensive loss for the period	-	-	-	(85,306)	(85,306)
Balance as at June 30, 2019	<u>-</u>	<u>1</u>	<u>11,246,296</u>	<u>(342,388)</u>	<u>10,903,909</u>
Balance at January 1, 2019		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)
Balance as at December 31, 2019	<u>11,424,160</u>	<u>1</u>	<u>10,105,326</u>	<u>(197,402)</u>	<u>9,907,925</u>
Balance at January 1, 2020	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	-	-	-	(76,198)	(76,198)
Balance as at June 30, 2020	<u>21,666,542</u>	<u>1</u>	<u>20,005,778</u>	<u>(273,600)</u>	<u>19,732,179</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 June 30, 2020

(Expressed in United States dollars)

	Unaudited	Unaudited	Audited
	30-Jun-20	30-Jun-19	31-Dec-19
Cash flows from operating activities			
(Loss)/income before tax	(76,198)	(85,306)	59,680
Adjustments for:			
Valuation gain on investment	-	-	(272,407)
Distribution received	-	-	1,014,877
Operating (loss)/profit before working capital changes	(76,198)	(85,306)	802,150
Prepayments	(1,337)	(13,052)	1,011
Investments	-	(10,650,000)	(10,650,000)
Deferred underwriting costs	-	177,864	177,864
Increase/(decrease) in accounts payable	27,613	(128,721)	(125,266)
Decrease in accruals	(15,578)	(131,147)	(127,831)
Increase/(decrease) in due to related party	2,760	(142,636)	(94,221)
Net cash used in operating activities	(62,740)	(10,972,998)	(10,016,293)
Cash flows from financing activities			
Net proceeds from subscription of share capital	9,900,452	11,246,296	11,120,203
Distribution	-	-	(1,014,877)
Net cash flow from financing activities	9,900,452	11,246,296	10,105,326
Net increase in Cash and Cash Equivalents	9,837,712	273,298	89,033
Cash and cash equivalents at the beginning of the period	89,436	403	403
Cash and cash equivalents at the end of the period	9,927,148	273,701	89,436

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 June 30, 2020

(Expressed in United States dollars)

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 Main 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.

	<u>Period Ended 30-Jun-20</u>	<u>Period Ended 30-Jun-19</u>
Net loss attributable to ordinary shareholders	(76,198)	(85,306)
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 June 30, 2020

(Expressed in United States dollars)

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.