

MPC CARIBBEAN CLEAN ENERGY LIMITED

**Unaudited Financial Statements for the
Third quarter ended September 30, 2020
and Compilation Report**

MPC CARIBBEAN CLEAN ENERGY LIMITED

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Chairman's Report to the Shareholders
Third Quarter Ended September 30, 2020

Dear Shareholders,

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

Third quarter in review

The Company has continued to demonstrate strong operational resilience in spite of the challenging market conditions caused by the global COVID-19 pandemic.

Following the successful compliance clearance of the additional capital raised by the Company, the focus was on the admittance of the funds into MPC Caribbean Clean Energy Fund LLC (**Investment Company**). The Board of Directors of the Company resolved to invest the proceeds of the Rights Issuance into the Investment Company on June 17. Subsequently, the Managing Board Member of MPC Caribbean Clean Energy Fund LLC approved the additional subscription by the Company in the amount of US\$ 9,292,378.58 on July 7. The drawdown of the funds into the Investment Company occurred on July 13. The additional funds will allow the Investment Company to acquire already identified other assets to further expand and grow the investment portfolio.

Portfolio Highlights

The below KPIs reflect the pro-rated share of the Company in the financial performance of the underlying investees of the Investment Company as well as the average technical performance at the collective portfolio level.

KPI	Q3 2020
EBITDA	US\$ 450,480.79
Energy Output Variation	-17.84%
Weighted Average Availability	97.94%

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 are shown and revenue and costs 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 Q3 of year (t) with Q3 of year (t-1) rather than with Q2 of year (t)).



For the wind farm Tilawind and during the third quarter, lower than forecasted generation was experienced. The reason were mainly to unseasonably poor weather conditions and a few significant technical issues. As of August 2020, a La Niña period has been officially announced by international weather monitoring institutions. This condition is linked to heavy rains and low wind speeds in Costa Rica. The forecasts show that this weather trend is likely to continue for another three months, as this is the typical cycle of this weather phenomenon

In the case of Paradise Park solar park lower than expected energy generation occurred due to damaged electrical cables that are used to transport the energy produced from the modules to the inverters. At the end of this quarter, corrective action has been taken in the form of replacing the defective cables and significant improvements in the plant's performance is already visible. There were no additional costs incurred for the replacement of the cables and the lost revenues will be compensated for according to the EPC contract guarantees. It is note-worthy to indicate that the long-term performance of the plant is not compromised by the damaged cables because it will be fully replaced.

Outlook

As disclosed in the regulatory filing and stock exchange notices, RBC Trust has committed US\$ 10 million to the Company. The capital will be provided through the issuance of a convertible promissory note. The issuance and closing of such convertible promissory note is still pending the approval of the Trinidad and Tobago Securities and Exchange Commission. The funds, if approved and after mandatory KYC and AML clearance, will be invested in the MPC Caribbean Clean Energy Fund LLC.

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

Fernando Zuniga
Chairman of the Board of Director



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

	Name	Joint Holder/ Connected interest	Volume	Percentage
1	TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY	-	5,218,094	24.08%
2	SAGICOR POOLED EQUITY FUND	-	4,192,300	19.35%
3	SAGICOR BALANCED FUND	-	2,307,690	10.65%
4	JN FUND MANAGERS LIMITED FOR JN POOLED PENSION LOCAL EQUITY FUND	-	1,494,428	6.90%
5	DEVELOPMENT BANK OF JAMAICA	-	1,000,000	4.62%
6	CARIBBEAN CLEAN ENERGY FEEDER LIMITED	-	925,928	4.27%
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 September 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 September 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

October 20, 2020

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Financial Position

As at September 30, 2020

(Expressed in United States dollars)

	NOTES	Unaudited		Audited
		Nine months ended		Year ended
		30-Sep-20	30-Sep-19	31-Dec-19
Current Assets				
Investment- MPC Caribbean Clean Energy Fund LLC		19,199,903	9,635,122	9,907,530
Cash and cash equivalents		589,664	137,724	89,436
Prepayments		2,247	8,771	3,656
Total Assets		19,791,814	9,781,617	10,000,622
LIABILITIES AND EQUITY				
Current Liabilities				
Accruals		29,781	27,134	31,884
Accounts payable		25,017	27,092	5,754
Due to related party		65,091	6,644	55,059
		<u>119,889</u>	<u>60,870</u>	<u>92,697</u>
Equity				
Share capital		20,005,779	11,246,296	10,105,327
Accumulated deficit		(333,854)	(1,525,549)	(197,402)
		<u>19,671,925</u>	<u>9,720,747</u>	<u>9,907,925</u>
TOTAL LIABILITIES AND EQUITY		19,791,814	9,781,617	10,000,622

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

Approved by the Board of Directors on 11th day November, 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 Loss

For the period ended September 30, 2020

(Expressed in United States dollars)

	NOTES	Unaudited		Unaudited		Audited
		Three months ended 30-Sep-20	30-Sep-19	Nine months ended 30-Sep-20	30-Sep-19	Year ended 31-Dec-19
Income						
Valuation gain on investment		-	-	-	-	272,407
		-	-	-	-	272,407
Expenses						
Accountancy fees		4,000	-	11,000	5,863	11,241
Administrative fees		9,182	15,805	50,081	36,386	42,676
Advertising		7,501	87,020	8,854	87,020	34,985
Audit fee		625	-	625	6,250	18,000
Bank charges		952	1,168	2,440	3,318	3,926
Directors' fees		4,125	5,875	12,375	12,847	20,639
Entertainment		-	-	-	-	113
Legal & professional fees		7,029	25,624	19,819	56,726	54,726
Licence fees		125	125	375	375	500
Travel expense		7,271	-	10,032	-	-
Insurance expense		15,281	5,705	15,937	16,458	21,663
Other expenses		-	-	-	635	2,508
Fines & penalties		3,789	-	3,789	-	-
Processing fees		-	24,715	-	24,715	-
Corporate fees		375	375	1,125	1,125	1,750
		60,255	166,412	136,452	251,718	212,727
(Loss)/income before tax		(60,255)	(166,412)	(136,452)	(251,718)	59,680
Taxation		-	-	-	-	-
Net (loss)/income and comprehensive (loss)/income		(60,255)	(166,412)	(136,452)	(251,718)	59,680
(Loss) / profit per share	4	(0.003)	(0.01)	(0.01)	(0.02)	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 September 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
Dividends	-	-	-	(1,016,750)	(1,016,750)
Comprehensive loss for the period	-	-	-	(251,718)	(251,718)
Balance as at September 30, 2019	<u>-</u>	<u>1</u>	<u>11,246,296</u>	<u>(1,525,550)</u>	<u>9,720,747</u>
Balance at January 1, 2019		1	-	(257,082)	(257,081)
Issuance of redeemable shares	11,424,160	-	11,120,203	-	11,120,203
Distributions		-	(1,014,877)	-	(1,014,877)
Comprehensive income for the period	-	-	-	59,680	59,680
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	-	-	-	(136,452)	(136,452)
Balance as at September 30, 2020	<u>21,666,542</u>	<u>1</u>	<u>20,005,778</u>	<u>(333,854)</u>	<u>19,671,925</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 September 30, 2020

(Expressed in United States dollars)

	Unaudited Nine months ended		Audited Year ended
	30-Sep-20	30-Sep-19	31-Dec-19
Cash flows from operating activities			
(Loss)/income before tax	(136,452)	(251,718)	59,680
Adjustments for:			
Valuation gain on investment	-	-	(272,407)
Distribution received	-	-	1,014,877
Operating (loss)/profit before working capital changes	(136,452)	(251,718)	802,150
Decrease/(increase) in prepayments	1,409	(4,104)	1,011
Investments	(9,292,373)	(10,650,000)	(10,650,000)
Deferred underwriting costs	-	177,864	177,864
Increase/(decrease) in accounts payable	19,263	(103,927)	(125,266)
Decrease in accruals	(2,103)	(132,581)	(127,831)
Increase/(decrease) in due to related party	10,032	(142,636)	(94,221)
Dividend received	-	1,014,877	-
Net cash used in operating activities	(9,400,224)	(10,092,225)	(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)
Dividends paid	-	(1,016,750)	-
Net cash flow from financing activities	9,900,452	10,229,546	10,105,326
Net increase in Cash and Cash Equivalents	500,228	137,321	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	589,664	137,724	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 September 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.

	Nine months ended 30-Sep-20	Nine months ended 30-Sep-19
Net loss attributable to ordinary shareholders	(136,452)	(251,718)
Weighted average number of shares	21,666,542	11,424,160
Loss per share	(0.01)	(0.02)

MPC CARIBBEAN CLEAN ENERGY LIMITED

Notes to the Financial Statements

For the period ended September 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. On July 7, 2020, the corporate and AML requirements were completed and on July 13, 2020, the raised funds, net of underwriting costs and administrative expenses were invested into MPC Caribbean Clean Energy Fund LLC.

On July 13, 2020, the company increased the investment in MPC Caribbean Clean Energy Fund LLC by an additional USD 9,292,378.58.