



FINANCIAL REPORT Q3 2023

MPC Caribbean Clean Energy Limited

MPC CARIBBEAN CLEAN ENERGY LIMITED

MPC Caribbean Clean Energy is a Caribbean-based investment company with the clear vision to boost investments into renewable energy projects in the Caribbean. The Company is investing into significant growth potential in renewable energy projects in the Caribbean region, where these energy sources are increasingly becoming an economical form of new electricity generation.

YOUR CONTACT FOR MORE INFORMATIONS

MPC Caribbean Clean Energy Limited

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Investor Relations

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We invest in renewable energy projects in the wider Caribbean region.

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ABOUT MPC CARIBBEAN CLEAN ENERGY LIMITED

OUR BUSINESS

MPC Caribbean Clean Energy Limited (the Company) is a Caribbean-based investment company which was established in 2017 with the clear vision to enable private and institutional investors from Jamaica and Trinidad and Tobago to invest through the Company into one of the few investment funds which invests in renewable energy projects in Caribbean region: the MPC Caribbean Clean Energy Fund LLC (the Investment Company or the Fund). The audited financial statements of the Investment Company are available to Shareholders upon request.

Renewable and clean energy is not only a must for our future but has also great investment potential. Therefore, MPC's mission is to bring renewable energy to the Caribbean and the Caribbean people and thereby accelerating positive environmental and social impact.

The Company is registered in Barbados and publicly listed on the Jamaica Stock Exchange as well as the Trinidad and Tobago Stock Exchange.



Solar PV



Wind power

CHAIRMAN'S REPORT

Dear Shareholders,

On behalf of the Board of Directors of MPC Caribbean Clean Energy Limited (MPCCEL or the Company), we present the unaudited interim financial statements for the quarter ended September 30th, 2023.

SUMMARY OF THE QUARTER

Despite the newly arrived El Niño climate pattern, the projects within the Investment Company portfolio experienced some production losses during the third quarter of the year. This can be attributed to maintenance activities, such as scheduled blade repairs of the wind farm, Tilawind. The repairs were purposefully scheduled for this time of the year to take advantage of the lower wind resource and lower energy tariff and prepare the wind farm to take better advantage of the high wind season which starts in mid to late November. Similarly, San Isidro undergone some emergency and planned maintenance activities, however, the generation results were almost in line with the budgeted values. The operational issues related to inverters and medium voltage transformers at the solar park in Jamaica, caused unavailability and reduction in energy production, however, various actions were taken to successfully solve these issues on site. Moreover, a technician from the equipment manufacturer will visit the plant in November to complete an inspection. Lastly, the issue with potentially defective PV modules and lower resource had a negative impact on the energy production of Monte Plata solar park.

From an environmental, social, and governance (ESG) perspective, the Investee Companies continued their engagement with the local communities of their respective projects. Some community engagement activities took place in Tilawind and Monte Plata. Local environmental consultants visited the projects in Tilawind, Monte Plata, and San Isidro to monitor the environmental management programs. Moreover, several actions were implemented to address the recommendations made during last year's ESG audit of Paradise Park. As per the Wood Operational Monitoring, E&S, and End of Warranty review findings, an external security consultant company completed the security audit in August. The relevant management plan is now being updated as per the recommendations.

In Monte Plata, an E&S consultant was appointed to ensure compliance with environmental and social standards for Phase II, with an additional role of engaging with local stakeholders.

Regarding occupational health and safety, no injuries or fatalities were reported in any of the projects and one grievance was received for Monte Plata Phase II which is currently under review and management by the ESG committee. Additionally, the four operational assets collectively contributed to the reduction of 20,060.28 tons of CO₂ equivalent emissions during the third quarter of 2023.

PORTFOLIO HIGHLIGHTS

KPI	Q3 2023	Q3 2022	YTD 2023	YTD 2022
EBITDA	USD 1,159,104	USD 926,913	USD 5,303,264	USD 4,624,030
Energy Output Variation ¹	-8.32%	-21.94%	-6.71%	-13.08%
Weighted Average Availability ²	96.67%	99.16%	98.42%	99.15%

¹ Note: 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.

² Note: 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 enough wind is available for the wind turbine to produce power. Regarding 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.

Renewable and clean energy is not only a must for our future but has also great investment potential.

Paradise Park | Solar Park | Jamaica

Due to operational issues, the energy generation was 6.32% below the forecast. As a result, total revenues for the period were also below the budget (-6.77%). In contrast, the reported OPEX was 11.47% below the budget mainly due to savings on purchasing of spare parts. Consequently, EBITDA closed 5.43% below the budget at the end of Q3 2023.

Tilawind | Wind Farm | Costa Rica

Recognized energy production was 9.12 % below budget due to planned maintenance activities which are usually scheduled during the low tariff and wind season. In line with lower energy sales, revenues for the third quarter were 8.28% below budget. OPEX slightly exceeded the budget by 1.6% and therefore, EBITDA was 34.93% lower than the budget for Q3 2023.

San Isidro | Solar Park | El Salvador

The generation of the quarter was in line with the solar resource seen over the same period (1.25% more irradiation than expected). The slight production deviation (-2.40%) from the budget can be explained by plant disconnections by the grid operator. The plant was disconnected three times during the third quarter, which is required for various maintenance activities. The final acceptance of the plant with the EPC contractor was signed in August 2023. Moreover, due to a higher tariff, the revenues for Q3 2023 exceeded the budget by 1.57%. The OPEX was 14% below the budget and EBITDA closed at +8% at the end of Q3 2023.

Monte Plata I | Solar Park | Dominican Republic

The technical issue related to PV modules and significantly lower resource availability in August were the causes of lower production (-15.14%) during the third quarter of the year. As expected, this effect had an impact on lower revenues from energy sales, which are reported to be 15.8% below forecast. Nevertheless, OPEX costs were significantly lower (-45.99%) due to savings on various budget assumptions and postponed payments and consequently, EBITDA was 10.42% below the budget for the reporting period.

OUTLOOK

The Investment Advisor together with the Company's legal counsels from various jurisdictions started to implement the contemplated reorganization structure promptly after obtaining the Shareholders' Approval at the Annual General Meeting held on May 30th, 2023, and the necessary documentation is currently being finalized. However, due to the complexity and involvement of many jurisdictions, the process is taking longer than initially anticipated, but expected to be finalized by the end of Q1 2024.

In addition, the financial close of Monte Plata Phase II project is targeted for Q4 2023 and simultaneously, the beginning of construction activities would immediately take place.

Respectfully Yours,
For and on behalf of the Company

Jose Fernando Zúñiga G.
Jose Fernando Zúñiga Gallindo
Chairman of the Board of Directors

TOP 10 SHAREHOLDINGS

As at September 30th, 2023

No.	Name	Joint Holder / Connected interest	Volume	Percentage
1	Teachers Credit Union Co-Operative Society	-	5,448,301	25.15%
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	4.61%
6	MF&G ASSET MANAGEMENT LTD. - JAMAICA INVESTMENTS FUND	-	822,000	3.79%
7	Caribbean Clean Energy Feeder Limited	-	691,821	3.19%
8	NCB INSURANCE AGENCY AND FUND MANAGERS LTD WT157	-	429,000	1.98%
9	Sagicor Equity Fund	-	384,610	1.77%
10	Jamaica Money Market Brokers Ltd FM10	-	321,000	1.48%

DIRECTOR SHAREHOLDINGS

As at September 30th, 2023

Name	Joint Holder / Connected interest	Volume	Percentage
Jose Fernando Zúñiga Gallindo	-	-	-
Alastair Dent	-	-	-
Lisl Bettina Lewis	-	-	-
Guardian Nominees (Barbados) Limited	-	-	-

COMPILATION REPORT

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, 2023, the statement of comprehensive loss, 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 in accordance with International Financial Reporting Standards ("IFRS"). 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.

October 2, 2023

Trident Corporate Services (Barbados) Limited

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2023

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Statement of Financial Position

As at September 30th, 2023
(Expressed in United States dollars)

In USD	Notes	Unaudited Nine months ended 30-Sep-23	Unaudited Nine months ended 30-Sep-22	Audited Year ended 31-Dec-22
Assets				
Investment in MPC Caribbean Clean Energy Fund LLC, at fair value		28,576,293	30,573,972	28,576,293
Cash and cash equivalents		20,853	196,138	164,442
Prepayments		19,231	19,355	12,417
Other receivables		12,333	-	-
Total Assets		28,628,710	30,789,465	28,753,152
Liabilities				
Accruals		38,375	9,315	27,000
Accounts payable		88,715	69,223	77,825
Due to related party	5	21,654	21,654	21,654
Convertible promissory note payable	6	10,000,000	10,000,000	10,000,000
Liabilities (excluding Net Assets Attributable to Shareholders)		10,148,744	10,100,192	10,126,479
Net Assets Attributable to Shareholders		18,479,966	20,689,273	18,626,673
Represented by:				
Share capital		20,005,779	20,005,779	20,005,779
Retained earnings / (Accumulated deficit)		(1,525,813)	683,494	(1,379,106)
		18,479,966	20,689,273	18,626,673

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

Approved by the Board of Directors on the 5th day of October, 2023.



Gayle Hutchinson | Jan Scantlebury
Guardian Nominees (Barbados) Limited
Directors



Jose Fernando Zúñiga Gallindo
Chairman of the Board of Directors

Statement of Comprehensive Loss

For the period ended September 30, 2023
(Expressed in United States dollars)

In USD	Notes	Unaudited Three months ended		Unaudited Nine months ended		Audited Year ended
		30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22	31-Dec-22
Investment Income						
Net change in unrealized gain on investment in MPC Caribbean Clean Energy Fund LLC		-	-	-	-	(1,997,679)
Total Assets		-	-	-	-	(1,997,679)
Expenses						
Accountancy fees		5,637	2,000	9,637	6,600	8,600
Administrative compensation		-	-	-	12,030	12,030
Administrative fees		11,120	15,933	49,082	41,172	61,776
Advertising		4,056	4,711	15,379	22,127	34,921
Audit fee		14,000	875	14,000	875	18,375
Bank charges		916	905	3,355	2,851	3,873
Corporate fees		375	375	1,125	1,125	1,500
Directors' fees		18,000	4,625	29,000	13,875	19,083
Insurance expense		4,622	5,294	14,329	15,526	20,819
Legal & professional fees		-	5,492	10,425	6,174	6,174
Licence fees		125	125	375	375	500
Total Expenses		58,851	40,335	146,707	122,730	187,651
Comprehensive (loss) before Taxation		(58,851)	(40,335)	(146,707)	(122,730)	(2,185,330)
Taxation		-	-	-	-	-
Net Comprehensive (loss)		(58,851)	(40,335)	(146,707)	(122,730)	(2,185,330)
Basic (loss) / earnings per share	4	(0.00)	(0.00)	(0.01)	(0.00)	(0.10)
Weighted average number of shares		2 1,666,542	2 1,666,542	2 1,666,542	2 1,666,542	2 1,666,542

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

Statement of Changes in Net Assets Attributable to Shareholders

For the period ended September 30, 2023
(Expressed in United States dollars)

In USD	Number of shares	Class A share capital	Class B share capital	Retained Earnings / Accumulated deficit	Total
Balance at January 1, 2022	21,666,542	1	20,005,778	806,224	20,812,003
Comprehensive loss for the period	-	-	-	(122,730)	(122,730)
Balance as at Sep 30, 2022	21,666,542	1	20,005,778	683,494	20,689,273
Balance at January 1, 2022	21,666,542	1	20,005,778	806,224	20,812,003
Comprehensive loss for the year	-	-	-	(2,185,330)	(2,185,330)
Balance as at December 31, 2022	21,666,542	1	20,005,778	(1,379,106)	18,626,673
Balance at January 1, 2023	21,666,542	1	20,005,778	(1,379,106)	18,626,673
Comprehensive loss for the period	-	-	-	(146,707)	(146,707)
Balance as at September 30, 2023	21,666,542	1	20,005,778	(1,525,813)	18,479,966

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

Statement of Cash Flows

For the period ended September 30, 2023
(Expressed in United States dollars)

In USD	Unaudited Nine months ended		Audited Year ended
	30-Sep-23	30-Sep-22	31-Dec-22
Cash flows (used in) from operating activities			
Net comprehensive loss for the period	(146,707)	(122,730)	(2,185,330)
Adjustments for non-cash income and expenses:			
Net change in unrealized gain on investment in MPC Caribbean Clean Energy Fund LLC	-	-	1,997,679
Increase in prepayments	(6,814)	(10,753)	(3,815)
(Increase) in other receivables	(12,333)	-	-
Increase in accounts payable	10,890	23,632	7,500
Increase in accruals	11,375	(10,185)	32,234
Net cash used in operating activities	(143,589)	(120,036)	(151,732)
Net decrease in cash and cash equivalents	(143,589)	(120,036)	(151,732)
Cash and cash equivalents at the beginning of the period	164,442	316,174	316,174
Cash and cash equivalents at the end of the period	20,853	196,138	164,442

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

Notes to the Financial Statements

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

42056

The Company's registered office address

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, 2022, 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 United States Dollars (USD) 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.

4. LOSS PER SHARE (CONTINUED)

In USD	Period ended 30-Sep-23	Period ended 30-Sep-22
Net loss attributable to ordinary shareholders	(146,707)	(122,730)
Weighted average number of shares	21,666,542	21,666,542
Loss per share	(0.01)	(0.01)

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 of USD 9,292,378.58, net of underwriting costs and administrative expenses, were invested into MPC Caribbean Clean Energy Fund LLC.

5. RELATED PARTY BALANCES AND TRANSACTIONS

The following transactions were carried out with related parties:

Due to related party

The loan from the related party is unsecured, interest free, has no stated terms of repayment and includes: (i) Payments of fees by MPC Capital GmbH on behalf of the Company during the period ended December 31, 2020 and the related balances payable by the Company to MPC Capital GmbH as at December 31, 2020, and (ii) Directors fees (per agreements with Directors).

The carrying value of the 'Due to related party' is as follows:

In USD	Nine months ended 30-Sep-23	Nine months ended 30-Sep-22
At January 1	21,654	21,654
Related party payments of expenses	-	-
Reimbursement payments to related party	-	-
At September 30	21,654	21,654

6. LONG-TERM CONVERTIBLE PROMISSORY NOTE PAYABLE

On November 6, 2020, MPC Caribbean Clean Energy Limited issued a convertible promissory note to RBC Trust (Trinidad & Tobago) Limited, (the 'Holder'), in the amount of USD 10,000,000. This convertible promissory note is non-interest bearing but entitles the Holder to distributions of profits of the Company, from and including the issuance date. The Holder of the note will be entitled to receive distributions of profits when dividends are declared, as if it were the holder of one Class B share for every \$1 of the principal sum of the note held but limited to a maximum return of eight percent (8%) per annum. All payments of distributions in respect of this note shall be payable in same day funds to the Holder on the dates and times upon which dividends are declared and payable in respect of the Class B shares of the Company by the Directors of the Company.

At maturity, March 31, 2026, if the principal sum of the note remained unpaid, the note will be converted into Class B shares of the Company at the rate of one Class B share for every one United States dollar (USD1) of the principal sum of the note held by the Holder. Such conversion will be subject to approval by a majority of the shareholders of the Company at a general meeting of the shareholders.

