



MPC CARIBBEAN CLEAN ENERGY LIMITED

ANNUAL REPORT 2020

TABLE OF CONTENTS

Table of Contents 2

Chairman’s Report 3

The Board of Directors..... 5

Organizational Chart..... 7

Corporate Data 8

Corporate Governance & Responsibility 12

Environmental, Social and Governance (ESG) factors 17

Paradise Park - Jamaica 23

Tilawind - Costa Rica 24

San Isidro – El Salvador 25

Management Discussion and Analysis..... 26

Audited Financial Statements..... 33

CHAIRMAN'S REPORT

Dear Shareholders,

On behalf of the board of directors (**Board**), I am pleased to present the Annual Report of MPC Caribbean Clean Energy Limited (**Company**) for the year ended December 31, 2020.

Year in review

The Company listed in both the Jamaican (**JSE**) and Trinidad and Tobago Stock Exchange (**TTSE**) look back on a challenging year 2020.

In view of the global pandemic of the corona virus disease (COVID-19), commonly known as coronavirus, which started in 2020 and has continued ever since, the underlying investee companies took several mitigation measures in all of its assets in order to keep operations unaffected. In addition to local governmental authorities, each one of the assets implemented a health and safety guideline for local operators and visitors. Improve cleaning practices, daily temperature checks and remote work (when possible) were some of the measures implemented. As a result of the foresighted and the targeted actions, the comprehensive communication with all sites at all times, no employees have been contracted with the virus in 2020.

The results of Tilawind and Paradise Park were below its operational and financial expectations in 2020. At the end of the year, Tilawind was below its forecasted energy production by 12.99%. The underlying reason for this deviation was low wind speed caused by a strong *La Niña* year. At the end of the year, Paradise Park was below its forecasted energy production by 11.57%. During its first complete operational year the solar park was affected by a serial defect in the DC cable. This issue caused energy losses related to low performance and frequent disconnections. A temporary solution was put in place in September 2020 that mitigated the effect on energy production and a permanent solution has been scheduled for Q1 2021.

In December 2020, MPC Caribbean Clean Energy Fund LLC (the Investment Company) acquired a 6.4 MWp solar park in San Isidro, El Salvador. Construction had started in Q2 2020, with commissioning scheduled for early 2021. The acquisition of San Isidro underlines the Investment Company's strategic goal of growing the portfolio of wind and solar parks organically. The qualitative selection of the investments to be managed is made in compliance with the long-term strategy, the Company's ESG (Environmental Social and Governance) standards and added value for our investors.

The issuance of USD 10 million convertible promissory note by RBC Trust (Trinidad and Tobago) should emphasized the commitment of our investors to the Company's strategy. The Investment Company already identified new assets matching the investors and Company's common expectations, to continue portfolio diversification growth.

Due to strong commitment to ESG principles, the Company is proud to say that the underlying assets of the Investment Company produced almost 148 GWh power generated from solar PV and wind energy installations, the amount equivalent to cover the power demand of almost 400,000 homes and contribution to the environment is the avoidance of 59,332.00 tonnes of CO₂ in 2020. From a social perspective the underlying investees of the Investment Company invested USD 77,161 in communities and/or community activities and created directly 351 jobs on site in 2020.

The aim of the investee companies is to build a work environment in which the employees are able to develop and create a culture of safety, efficiency, and strengthens its position of a reliable partner of local communities while demonstrating responsibility for the natural environment.

Outlook 2021

The Company will proceed with the organic and qualitative growth in the currently active market area in 2021 and through the expansion of the Investment Company's portfolio under compliance with the objectives towards shareholders.

The operational management of the assets will continue based on the proven practices handling both the health and security the people on site and ensure the operation of the assets.

MPC Caribbean Clean Energy Limited will continue to increase its competitive advantages by enhancing its value in the asset portfolio, based on the three pillars: investor orientation, innovation and efficiency.

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 Zúñiga G." The signature is written in a cursive style.

Chairman of the Board of Directors
Fernando Zúñiga

THE BOARD OF DIRECTORS

The Board of the Company as of December 31, 2020 comprises of five (5) directors as follows:

Name	Position
Fernando Zúñiga	Executive Director and Chairman of the Board
A. Mark D. Hart	Director
Alastair B. Dent	Director
Steven Marston	Director
Guardian Nominees (Barbados) Limited	Director

Mr. Fernando Zúñiga

Director of the Board, Executive Director

Mr. Fernando Zúñiga has joined the Board of Directors and simultaneously assumed Executive Director position of the Company following the appointment and approval at the Board of Directors meeting on June 17th, 2019.

Mr. Zúñiga is a Managing Director Central America & Caribbean of MPC Renewables Panama S.A. based in Panama City, Panama. He is responsible for the business development as well as supporting origination and asset management. Mr. Zúñiga has more than 10 years of experience in renewable energy with a strong focus on solar PV as well as development and construction phases of renewable energy projects.

In the past, he worked on over 2 GW of renewable energy projects with approximately 800 MW of development and asset management of solar PV in Latin America. Throughout his career he held the following positions in the renewable energy field:

- Director of Managing Board Member, Caribbean Clean Energy Fund LLC, Cayman Islands
- Development Manager for Latin America, Solarcentury, Panama
- Senior Project Developer – Private Equity, Ecosolar (Grupo Ecos), Panama
- Project and Business Development Manager, Project Engineer, Suntrace GmbH, Germany

Mr. Alastair Dent

Independent Non-Executive Director & Member of the Audit and Remuneration Committees

Mr. Dent is a chartered accountant whose career has spanned Ernst & Young Barbados in various capacities and ultimately as one of its audit partners. Before joining Ernst & Young Mr. Dent acted as the Chief Financial Officer of a reinsurance company operating in Barbados.

In 2016 Mr. Dent established his own audit firm, Orion Consulting Inc.

Mr. Dent is also an Associate Member of ICAEW, a Fellow of Institute of Chartered Accountants of Barbados (ICAB) and was a Member of ICAB Accounting and Auditing Standards Committee from 1999 to 2011.

Mr. Anthony Mark Hart, J.P.

Independent Non-Executive Director

Mr. Hart is currently the Executive Chairman of Caribbean Producers (Jamaica) Limited, which is listed on the Junior Market Jamaica Stock Exchange (JSE), having previously served as its Chief Executive Officer from 2004 until early in 2011 and is also the founding and controlling shareholder of that company.

Mr. Hart began his career as the Managing Director of the Hart family's group of companies in 1982, eventually becoming Chairman and Chief Executive Officer in 1997.

Mr. Hart serves as Chairman of Cargo Handlers Limited, another JSE Junior Market listed company

Mr. Hart is a graduate of the University of Miami where he gained a Bachelor of Science degree in History and Motion Picture Film Production. He has also completed a program in Executive Education with focus on accounting and planning at Columbia University of New York.

Mr. Hart served as Chairman of the Airports Authority of Jamaica from 2007 - 2012 and he is currently a member of the boards of The We Care of Cornwall Regional Hospital, The Port Authority of Jamaica, Montego Bay Freezone Company Limited, The Bank of Nova Scotia Jamaica Limited, Scotia Group Jamaica Limited, and Alpha Angels Investor Group. In the past he has served as a Director of JAMPRO, Dehring Bunting and Golding Limited (now Scotia Investments Limited), the American Chamber of Commerce of Jamaica, the Montego Bay Chamber of Commerce, First Life Insurance Company, Island Victoria Bank, The Tryall Club, Montego Bay Yacht Club, amongst others. Mr. Hart produced a documentary film, Rise Up. He is married to Dr. Candace Hart and together they have three children: Maya, Ethan and Cameron.

Mr. Steven Marston

Independent Non-Executive Director

Mr. Marston is the Executive Chairman of CAC 2000 Limited. Mr. Marston has worked in the air conditioning and energy business for over 32 years. He is an engineer with a BSc. in Environmental Engineering (HVAC) from University of Strathclyde (1980) and MSc. in Energy Management and Policy from University of Pennsylvania (1984). He is also a graduate of the Owner President Management Program at Harvard Business School in 2009.

Mr. Marston worked in the renewable energy field for ten years (Ministry of Mining and Energy and Petroleum Corporation of Jamaica) and installed many of the initial solar systems in hospitals and hotels. He also worked in the sugar industry and installed a hydrous ethanol plant at Bernard Lodge along with other improvements that quickly made it one of the most efficient sugar factories in Jamaica. He then went on to work as an energy consultant before being asked by ICD to take over the failing CAC and not only restored it to become Jamaica's largest HVAC company, while also helping to lead the construction arm of the Mechala Group, before leading a management buyout of CAC. Over the course of his tenure the company has achieved significant growth and development guided by his vision, experience and expertise and he led the company to a successful listing on the Junior Market of the Jamaica Stock exchange - the first, and still only, construction company to do so.

CAC continues to flourish under his leadership but he is also working assiduously on regional expansion, large projects and commercial energy solutions with the intention of making CAC the largest HVAC and alternative energy business in the Caribbean.

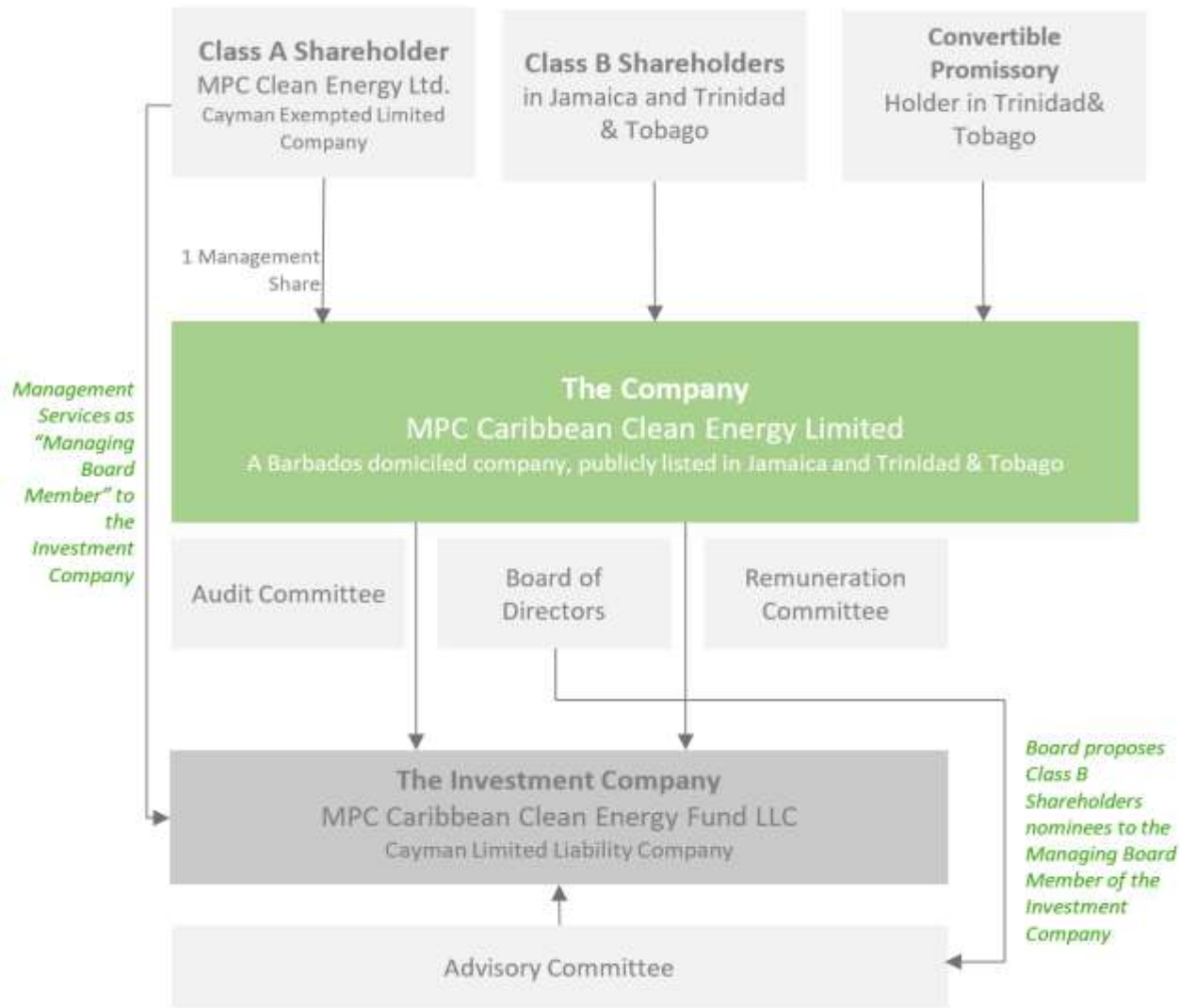
Guardian Nominees (Barbados) Limited

Independent Non-Executive Director & Member of the Audit and Remuneration Committees

Guardian Nominees (Barbados) Limited is a corporate director appointed by the Company in the interest of continuity on the Board and also order to facilitate Board meetings in Barbados. Guardian Nominees (Barbados) Limited was incorporated on December 23, 2004 and is legally domiciled in the Island of Barbados. The Company is engaged in the provision of nominee services and is licensed under the Corporate and Trust Services Providers Act 2015-12 of Barbados. The current directors of the Company are Willem A. Smit, Gayle A. Hutchinson and Amanda G. McKay.

ORGANIZATIONAL CHART

Structure of the organization of MPC Caribbean Clean Energy Limited:



CORPORATE DATA

The Company

MPC Caribbean Clean Energy Limited
Suite 1, Ground Floor, The Financial Services
Centre, Bishop's Court Hill, St. Michael,
Barbados, BB14004

Website: www.mpc-cleanenergy.com
Telephone Number: +1 246 621 0760

Email Address:
info@mpc-cleanenergy.com



Board of Directors

Fernando Zúñiga
Alastair Dent
Steven D. Marston
A. Mark D. Hart
Guardian Nominees
(Barbados) Limited

Trinidad and Tobago Attorneys to the Company

M. Hamel-Smith & Co., Attorneys-at-Law
Eleven Albion, Cor. Dere & Albion Streets,
Port of Spain, Trinidad

Website: www.trinidadlaw.com
Telephone Number: +1 868 299 0981
Email Address: mhs@trinidadlaw.com



Jamaica Attorneys to the Company

Hart Muirhead Fatta, Attorneys-at-Law
2ND Floor, The Victoria Mutual Building
53 Knutsford Blvd, Kingston 5, Jamaica W.I.

Website: <http://www.hmf.com.jm/>
Telephone Number: +1 876 929 9677
Email Address: info@hmf.com.jm



Auditor

BDO Barbados
The Gables, Haggatt Hall,
St. Michael,
Barbados, BB11063

Website: <https://www.bdo.bb/en-gb/locations/bdo-barbados>
Telephone Number: +1 246 435 2001



Bankers

CIBC FirstCaribbean International Bank
(Bahamas) Limited
Goodman's Bay Corporate Centre
West Bay Street



Nassau, Bahamas

Website: www.cibcfib.com

Telephone Number: +1 868 242 397 8201

**Corporate
Secretary**

**Trident Corporate Services (Barbados)
Limited**

Suite 1, Ground Floor
The Financial Services Centre
Bishops Court Hill, St Michael
Barbados BB14004



Website: www.tridenttrust.com

Telephone number: +1 246 621 0760

Email Address: AMckay@tridenttrust.com

Dentons Delany

Burnham Court
Bishop's Court Hill
Upper Collymore Rock
Barbados



Website: www.dentons.com

Telephone Number: +1 246 230 8330

Email Address: dustin.delany@dentons.com

TOP 10 SHAREHOLDERS OF THE COMPANY

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

	Name	Joint Holder/ Connected interest	Volume	Percentage
1	TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY LIMITED	-	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 LIMITED	-	1,000,000	4.62%
6	MF&G ASSET MANAGEMENT LTD. - JAMAICA INVESTMENTS FUND TRUSTEE, JA. INVESTMENT (INCOME & GROWTH) FUND	-	822,000	3.79%
7	MPC CARIBBEAN CLEAN ENERGY FEEDER LIMITED	-	691,821	3.19%
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%

DIRECTOR'S HOLDINGS

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

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

CORPORATE GOVERNANCE & RESPONSIBILITY

RESPONSIBILITIES OF THE BOARD

The business and affairs of the Company are managed by its Board, who approves any reasonable costs and expenses pursuant to the Company's investor membership in the Fund and the Company itself. Furthermore, the core responsibilities of the Directors among others include:

- Compliance with all applicable laws, regulations and corporate documents and policies of the Company;
- Participation in Board meetings;
- Participation in committees and sub-committees to which the relevant Directors has been appointed;
- Review Company's financial statements and annual report including the MD&A section;
- Ensure that the reports and disclosures of the Company, including the annual report, are compliant with the Company's Disclosure Policy;
- Review and approve the Company's annual budget; review and approve the Company's policies and guideline;
- Annually confirm the Code of Conduct of the Company;
- From time to time consider the recommendation of material members of the Company as potential members of the Fund's Advisory Committee to the Fund's managing board member (**Managing Board Member**);
- Approve new shareholders of the Company;
- Appoint the Company's corporate secretary and assistant secretary;
- Always act in the best interest of the Company and its shareholders.

EVALUATION

Annual self-assessment of performance on the individual and group level is conducted by the Directors. Each of the Directors is signatory to Company's Code of Conduct and its annual reviews, which serves as a core guideline for the ethics and behavioral norms. Dismissal of the Director is foreseen, provided the failure to adhere to the Code of Conduct or absence in three consecutive Board meetings. Therefore, the record of the attendance of the meetings is kept. The first evaluation has been conducted in the first quarter of 2021 with the results as below:

Meeting Date	Attendees					
	Gerrard Borely	Fernando Zúñiga	Alastair Dent	Mark Hart	Steven Marston	Guardian Nominees
January 31, 2020	✓	✓	✓			✓
May 12, 2020	N/A	✓	✓		✓	✓
August 18, 2020	N/A	✓	✓	✓	✓	✓
October 1, 2020	N/A	✓	✓	✓		✓
November 2, 2020	N/A	✓	✓		✓	✓

MEETINGS

Frequency and location: Meetings of the Board are held quarterly every year and may be convened at any time by any Director or the Secretary, when directed or authorized by the Management Shareholder. The meeting location is selected irrespective of the country of the registration or is held through the means of telephone or other communications facilities that permit all persons participating in the meeting to hear each other and a Director participating in such a meeting by such means is deemed to be present at that meeting. For the year 2020 the decisions by the Directors were made via telephone meetings, a round robin of electronic communication over various dates and no physical meetings took place prior to the Annual General Meeting on August 18, 2020.

Quorum: A majority of the Directors forms a quorum for the transaction of business and, notwithstanding any vacancy among the Directors, a quorum exercises all the powers of the Directors. No business is transacted at a meeting of Directors unless a quorum is present.

Voting: Questions arising at any meeting of the Directors are decided by a majority of votes. In case of an equality of votes the Chairman of the meeting in addition to his original vote has a second or casting vote.

Director Responsibilities and Preparation: Directors spend the time needed to prepare for meetings and to meet as frequently as necessary to properly discharge their responsibilities. Information and materials important for the Board's understanding of the business to be conducted at a Board or committee meeting are made available to the Directors in advance to the meeting.

Shareholder's Meetings: includes any annual general meeting and extraordinary shareholders' meeting of the Company. Shareholders' Meetings are conducted pursuant to the laws of Barbados and in compliance with requirements of the jurisdictions in which the Company is listed. The Annual General Meeting was conducted via video-conferencing on August 18, 2020, as a result of the COVID-19 pandemic and due to the reduction of travel for the directors and shareholders. As a result of such, the Company was unable to convene the meeting with all Directors and Shareholders of the Company attending physically in Barbados.

REMUNERATION COMMITTEE

The purpose of the Remuneration Committee is to review, report on and make appropriate recommendations to the Company's Board for the Board's approval regarding the Company's framework of executive remuneration. The Committee reviews and approves corporate goals in relation to management's compensation, evaluates management's performance in light of the company's goals and objectives and makes recommendations to the Board with respect to executive and non-executive compensation.

The Remuneration Committee shall review and evaluate twice per year market trends in relation to fees payable to non-executive and independent directors and make recommendations to the Board in relation to the Company's directors' fees, other executive and non-executive compensations.

Remuneration Committee is comprised of the following directors:

Name	Position
Fernando Zúñiga	Chairman
Alastair Dent	Member
Guardian Nominees (Barbados) Limited	Member

AUDIT COMMITTEE

The Audit Committee assists the Board with oversight responsibilities in regards to the integrity of the Company's financial statements. It also serves as the communication link between the Board, the management team and the auditors. The Audit Committee ensures that the Company complies with legal and regulatory requirements.

- Assist the Board with oversight responsibilities in regards to the integrity of the Company's financial statements;
- Serve as the communication link between the Board, the management team and the auditors;
- Ensure that the Company complies with legal and regulatory requirements;
- Confirm that significant findings and recommendations made by auditors are received, discussed and implemented by management or Directors on a timely basis;
- Communicate to the Board matters which may significantly impact the financial condition/affairs of the Company;
- Perform other oversight functions as requested by the Board;
- Review and update the charter and recommend approval of any changes to the Board; and
- Confirm annually that the responsibilities outlined in this Charter have been executed;
- Report annually to the shareholders describing the Audit Committee's composition, responsibilities, discharge of duties and any other information required by regulation or professional practice; and
- Review any other reports issued by the Group that relate to the Audit Committee's responsibilities.

Audit Committee is comprised of the following directors:

Name	Position
Fernando Zúñiga	Chairman
Alastair Dent	Member
Guardian Nominees (Barbados) Limited	Member

CODE OF CONDUCT

Being a listed company, the Company thrives on the trust that our investors, customers, shareholders, business partners and the public have in the performance and integrity of our Company. That trust depends significantly on how we conduct ourselves. The Code of Conduct of MPC Caribbean Clean Energy Limited lays out the standards for our behavior, serving as binding guidelines for all our interactions. We expect employees to adhere to the Code of Conduct.

The Code of Conduct is based on our five corporate values. These shared values represent the essential foundation of our corporate culture. We practice them in our daily dealings with each other and in how we work with others.

PARTNERSHIP: We treat one another with respect and honesty, and we act with consideration for the goals and circumstances of each customer and partner.

RELIABILITY: Our behavior is clear and consistent. We communicate what we can do and know our limits. We plan rationally and keep our promises. We take responsibility for things we do and information we share.

PROFESSIONALISM: Our conduct towards customers, partners and co-workers is business like, constructive and appreciative. We act with tremendous self-initiative combined with a well-planned approach. We rely on superior reasoning.

ENTHUSIASM: We get ourselves and our partners excited about challenging topics, projects and tasks. We identify passionately with MPC Caribbean Clean Energy Limited and our duties. Our enthusiasm allows us to move in new directions with optimism, self-confidence and pleasure.

ENTREPRENEURSHIP: We take charge of our areas of responsibility while keeping the company's point of view in mind. We develop new ideas and are prepared at all times to strengthen the innovativeness of MPC Caribbean Clean Energy Limited. To that end, we deal with risks with awareness.

PRINCIPLE OF GOOD CORPORATE GOVERNANCE

Good corporate governance protects the legitimate interests of the Company and its shareholders. The management structure of MPC Caribbean Clean Energy Limited consists of the Board in charge of the Company's operations. The Board is supported by a comprehensive corporate governance policy and a Barbados resident corporate Secretary, as well as, local assistant corporate secretaries in the jurisdiction in which the Company is listed.

The Company's corporate governance guidelines are available on the website of MPC Caribbean Clean Energy Limited: <https://www.mpc-cleanenergy.com/>

SOCIAL RESPONSIBILITY

The management of MPC Caribbean Clean Energy Limited is aware of its responsibility toward employees, customers, investors, shareholders and business partners, as well as toward the Company and the principles that support it. The management and its employees respect the personal dignity of every individual and do not tolerate discrimination in the activities of the Company. We do not tolerate discrimination on the basis of gender, ethnic background, disability, age, sexual orientation, religion or ideology. Accordingly, the management is committed to human rights and the international standards for protecting workers. The Company recognizes the importance the Sustainable Development Goals (SDG) and their objectives to end poverty, protect the planet and ensure prosperity by 2030.

It is the Company's believe that sustainability requires more than just investing into renewable energy assets and having a positive local impact. To such ends, the Company adheres to, and requires the companies it invests into to adhere to, the Universal Declaration of Human Rights (UNDHR) and the standards of the International Labour Organization (ILO). The Board, the Company's executives and employees are required to comply with the UNDHR and ILO standards.

COMPLYING WITH LAWS, REGULATIONS AND INTERNAL POLICIES

The success of MPC Caribbean Clean Energy Limited as a business is based on strict compliance with laws and regulations, as well as to its policies. That is the only way to ensure fair, correct and legally irreproachable conduct in business dealings with customers, investors, shareholders, business partners and other parties.

Within Company's business model, financial fraud, investment fraud, market manipulation, brokerage and banking fraud, embezzlement and bribery may constitute criminal offences. Such actions can be initiated by outsiders, employees or a combination of offenders. Employees are compelled to be especially vigilant and contact their management in cases of doubt.

MARKET INTEGRITY

MPC Caribbean Clean Energy Limited ensures the protection of the market's integrity as part of its business activities. It is therefore natural for everyone who works for the Company not to harm other market participants through their actions, in particular deceitful activities or market manipulation.

COOPERATION WITH BUSINESS PARTNERS

To enable it to work with certain business partners and deal with the associated risks, the Company has established an internationally recognized process, tailored to the company's needs, for evaluating, approving and documenting those third parties. All employees are obliged to perform this business partner compliance screening before engaging or entering into contractual agreements with such third parties.

PREVENTING MONEY LAUNDERING AND THE FINANCING OF TERRORISM

MPC Caribbean Clean Energy Limited has taken precautions to prevent the company from being misused for the purpose of money laundering or the financing of terrorism. One of the key pillars of combating money laundering and financing of terrorism is the principle of "know your customer" (KYC). It involves verifying the identity of each shareholder, client or business partner when opening business relations, including the beneficial owners and any authorized representatives. All employees are required to comply with anti-money laundering regulations.

ANTI-CORRUPTION ACTIVITIES AND DEALING WITH GIFTS AND BENEFITS

The use of corruptive means in any form for the purpose of accomplishing business objectives is prohibited. Corruption primarily occurs through the giving and taking of bribes by government officials and public servants, as well as the giving and receiving of benefits by non-officials. Corruption leads to bad corporate and economic decision-making, hinders progress and innovation, and distorts competition. All employees of the Company are therefore prohibited from accepting gifts from third parties or giving gifts to third parties who are not customers in the context of providing services.

ADVERTISING AND COMMUNICATION

When advertising products or services of MPC Caribbean Clean Energy Limited, employees must make sure the advertisements are honest, unambiguous and not misleading. The obligation to produce honest, unambiguous and non-misleading communication also applies to investor information and reports on products as part of asset management.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS

Policies

MPC Caribbean Clean Energy Limited recognizes the importance of Environmental, Social and Governance (ESG) factors in making investment decisions as well as in the management of renewable energy assets. It takes into consideration that a proactive approach to ESG matters is vital for the protection and enhancement of the value of investments in the long term.

In February 2020 and on behalf of the Investment Company, MPC Capital GmbH (Investment Advisor, formerly MPC Renewable Energies GmbH) received the final version of its Environmental and Social Management System (ESMS). The system (based on International Financial Corporation (IFC) standards) is being used to implement the Investment Company's ESG framework at the Investment Company, portfolio and asset levels. During 2020, the entire Investment Advisor's team received training on the ESMS. One training took place on the 14 February 2020 and a second one on the 12 November 2020.

Some of the policy categories that constitute the foundation of the Investment Company's and therefore the Company's ESMS include:

- Environmental and Social
- Labor and Working conditions
- Health and Safety
- Community Relations
- Gender
- Corporate Governance and Responsibilities

The policy categories will continue to be communicated to all stakeholders that are involved in the acquisition, realization, operations and management of the assets that comprise the Company. In addition, the ESMS will also be communicated to other stakeholders, such as shareholders, affected communities, and governments in countries where the Investment Company operates.

Environment and Social Governance activities and initiatives

The Investment Company implemented a diverse array of activities and initiatives through its assets Paradise Park and Tilawind during 2020. Guided by the regulations and recommendations of the ESMS the Investment Advisor was able to identify areas of improvement in the day-to-day operations of its assets and opportunities in the surrounding communities. In addition to the minimum compliance requirements set by the national authorities, the Investment Company looked to engage with the local communities and stakeholders in order support the welfare of the people in the projects' area of influence.

2020 was a very challenging year for many parts of the world because of COVID-19, specially for remote communities who struggle to get basic living conditions met such as: quality healthcare, drinkable water, nutritious food, etc. For this reason most of the initiatives were aimed at mitigating the negative influence of COVID-19.

Great focus was put on the health and safety of the employees and external visitors in all three of the assets. Among these efforts were:

- Creating the rules and norms applicable to the employees and visitors in light of COVID-19
- Increased frequency of cleaning inside the control room space

- Equipping the staff and construction workers with the materials and tools they need to keep safe
- Weekly meetings to discuss health status of employees, COVID-19 status in the country and reinforcement of health and personal protection measures

■ Paradise Park - Jamaica

During 2020, Paradise Park solar park focused on improving its environmental and social practices through a series of audits from independent advisors and community engagement. Two environmental and social performance audits were carried out during the year. Although the project was found to be in compliance with the local requirements, there are still areas of improvement. Some areas of improvement identified during the audit were: Vegetation Management Plan, Chemical Plan, Drainage Plan and communication with stakeholders. All of these areas have been addressed with local employees. The O&M company showed willingness and effort during Q4 in improving the operations. During December 2020 children from the local community of Savannah La Mar were benefitted with school supplies as well as COVID-19 personal protection equipment in preparation for the school term in January 2021.

■ Tilawind – Costa Rica

Tilawind aims to make donations to cultural activities and schools located in the vicinity of the wind farm as part of its ESG plan. During March 2020 a school bus was donated to the municipality of Tilarán to assist children of the community to go to school without walking large distances by foot. Tilawind also contributed construction materials and a printer to different schools and educational organizations in the surrounding area of Tilarán. The remote nature of education during most of the year meant that schools could take advantage and improve their infrastructure. Students have slowly started to return to class during 2021 and they now benefit of improved classrooms and equipment.

■ San Isidro – El Salvador

The construction of the San Isidro solar park took place between March 2020 and January 2021, reaching a peak of 233 workers. During the construction process several initiatives were undertaken in benefit of the community.

In a collaboration with an international NGO (Plan International), the Investment Company delivered food kits to 160 families that were identified as vulnerable using a framework mechanism. The food kits contained more than 40 pounds of basic grains that helped the families during the pandemic. The project was supported by the mayor of San Isidro (personally delivering kits) and the Citizen Protection Commission.

As indicated by the ESMS, a series of mailboxes were located in strategic points of the town in order to receive letters from the community regarding the project. The objective is to put in place a grievance mechanism to receive inquiries, concerns, and formal or informal complaints from any stakeholders in an open, confidential manner or anonymously. During October, two community meetings were done with members of the municipality and twenty interested citizens. An explanation on the solar PV technology was given and the environmental aspects of it were highlighted. In December, 105 Christmas baskets and 108 toy baskets were donated to the local community.

APPLIED REPORTING GUIDELINES

On June 2018, the World Federation of Exchanges issued a Revised ESG Guidance and Metrics¹ in order to encourage listed companies around the globe to disclose ESG baseline indicators. MPC Caribbean Clean Energy Limited has embraced these recommendations and worked with applicable metrics selected based on a materiality approach guided by the definitions in the Global Reporting Initiative (GRI)².

For each dimension of ESG, the Company has applied a materiality assessment in order to determine relevant topics for reporting and disclosure by considering (i) the organization's impact on economic, environmental and social matters, and (ii) the importance of these matters to its stakeholders.

1. ENVIRONMENT

The environmental factors look at how the Company performs in relation to the quality and functioning of the natural environment and systems.

These factors include:

- Biodiversity losses
- Greenhouse gas (GHG) emissions
- Climate change
- Renewable energy
- Changes in land usage, among others.

Metric	Calculation	Result for Year 2020	Comment
Environmental Operations	Does your company follow a formal Environmental Policy? Yes, No	Yes	Comprised in the Investment Company's Environment and Social Management System and MPC Code of Conduct
	Does your company follow specific waste, water, energy, and/or recycling policies? Yes/No	Yes	Comprised in the Investment Company's Environment and Social Management System
Environmental Oversight	Does your Board/ Management Team oversee and/or manage climate-related risks? Yes/No	Yes	
	Does your Board/Management Team oversee and/or manage other sustainability issues? Yes/No	Yes	
Climate Risk Mitigation	Total amount invested, annually, in climate-related infrastructure, resilience, and product development?	USD 9,29 million	In 2020, USD 9,29 million was invested in the Investment Company

MPC Caribbean Clean Energy Limited is committed to take effective actions to mitigate climate change. In 2020, the Company has invested net proceeds of USD 9,292,372.58 (increasing its total investment to USD 19,942,378) in the Investment Company that is subsequently investing the capital into renewable energy infrastructure projects. The Investment Company holds currently ownerships in the three assets: Paradise Park solar park in Jamaica (51.5 MWp), Tilawind wind farm in Costa Rica (21 MW) and San Isidro solar park in El Salvador (6.4 MWp). The oversight and

¹ https://www.world-exchanges.org/storage/app/media/research/Studies_Reports/WFE%20ESG%20Guidance%20June%202018.pdf

² <https://www.globalreporting.org/standards/>

management of climate related risks and sustainability issues are performed by the Company's Board before making an investment into the Investment Company.

2. SOCIAL

The social factors evaluate how a company manages the relationships with its employees, customers, suppliers, and the communities where it performs its operations. These factors include:

- Human rights
- Labor standards in the supply chain
- Workplace health and safety
- Diversity
- Relations with local communities, amongst others.

Metric	Calculation	Result for Year 2020	Comment
Gender Diversity	Percentage: Senior- and executive-level positions held by men and women	80%/ 0%	Board members, who also serve as executives, are four men and a company. The company, Guardian Nominees (Barbados) Limited has two directors, one of whom is a woman
Non-Discrimination	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No	Yes	Included in MPC Code of Conduct
Child & Forced Labor	Does your company follow a child and/or forced labor policy? Yes/No	Yes	Comprised in the Investment Company's Environmental and Social Management System
	If yes, does your child and/or forced labor policy also cover suppliers and vendors? Yes/No	Yes	
Human Rights	Does your company follow a human rights policy? Yes/No	Yes	Comprised in the Investment Company's Environmental and Social Management and included in MPC Code of Conduct

3. GOVERNANCE

Governance deals with the relationship between a Company's management, its board, shareholders and other stakeholders. Factors include board structure, diversity, size, skills and independence, executive pay, shareholder rights, disclosure of information, business ethics, bribery and corruption, internal controls and risk management among others.

The Board as of December 31st 2020 is composed of four independent directors: Anthony Mark Hart, Alastair B. Dent, Steven Marston and the company Guardian Nominees (Barbados) Limited which has three directors: Willem A. Smit, Gayle A. Hutchinson and Amanda G. McKay. Fernando Zúñiga is a Chairman of the Board and serves as an Executive Director of the Company.

The Board has appointed a Remuneration and an Audit Committee to evaluate management performance in light of the Company's goals and objectives and oversee the integrity of the Company's financial statements and compliance with legal and regulatory requirements.

Metric	Calculation	Result for Year 2020	Comment
Board Diversity	Percentage: Total board seats occupied by men and women	80% / 0%	Board members, who also serve as executives, are four men and a company. The company, Guardian Nominees (Barbados) Limited has two directors, one of whom is a woman
	Percentage: Committee chairs occupied by men and women	67% / 0%	The committees' chairs are occupied by one man and the company Guardian Nominees (Barbados) Limited which has two directors, one of whom is a woman
Board Independence	Percentage: Total board seats occupied by independents	80%	
Incentivized Pay	Are executives formally incentivized to perform on sustainability? Yes/No	No	
Ethics & Anti-Corruption	Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No	Yes	Included in MPC Code of Conduct
Data Privacy	Does your company follow a Data Privacy policy? Yes/No	Yes	Included in MPC Code of Conduct
Sustainability Reporting	Does your company publish a sustainability report? Yes/No	No	
	Is sustainability data included in your regulatory filings? Yes/No	Yes	Sustainability data will be included in mandatory annual reports starting from reporting year 2018 onwards.
Disclosure Practices	Does your company provide sustainability data to sustainability reporting frameworks? Yes/No	No	
	Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No	Yes	This report is for the purpose of reporting on the Metrics and KPI's based on the UN SDGs
	Does your company set targets and report progress on the UN SDGs? Yes/No	No	
External Assurance	Are your sustainability disclosures assured or validated by a third party? Yes/No	No	

COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS

MPC Caribbean Clean Energy Limited recognizes the importance of the Sustainable Development Goals (SDGs) and its targets to end poverty, protect the planet and ensure prosperity by 2030. The Company generally supports all SDGs and will periodically review how they can be embraced through its corporate activities. Although, there are some SDGs that are inherent to the Company's core business activities, and, after performing an assessment in early 2019, the Company has committed to support the achievement of the following SDGs by integrating them in its day to day operation. MPC Capital GmbH as Investment Advisor reviewed its ESG related activities and initiatives connecting them to the SDGs and summarized them in a 2020 ESG Report. Throughout 2020 the positive impact was made in the following goals:

- Goal 5: Gender equality
- Goal 7: Affordable and clean energy
- Goal 8: Decent work and economic growth
- Goal 9: Industry innovation and infrastructure
- Goal 11: Sustainable cities and communities
- Goal 13: Climate action
- Goal 15: Life on land

From the above mentioned goals, the Company has prioritized the following SDGs considering:

- the Company's primarily investment in solar PV and wind projects,
- direct contribution to effective climate change mitigations by investing in renewable energy, and
- support of positive social and environmental links with the communities and land where the projects will take place.



PARADISE PARK - JAMAICA:

FOSTERING EMPLOYMENT AND COMMITMENT
TO THE ENVIRONMENT

CHEAPEST SOURCE OF ENERGY IN JAMAICA



USD 8.8 cents per kilowatt-hour

versus USD 25.4 cents per kilowatt-hour average electricity price in Jamaica³

622

School supplies donated in 2020 as well as 150 protective face masks

16

Workers in Jamaica, 6 of whom are permanent

53,821 tonnes

Of carbon emissions (CO₂) were avoided in 2020

76,875,130 kWh

Green power produced in 2020

³ Climatescope 2020 by Bloomberg NEF: <https://global-climatescope.org/results/JM#power-prices-and-lcoes>

TILAWIND - COSTA RICA:

CONTRIBUTING TO GREEN ENERGY PRODUCTION WHILE REDUCING GREENHOUSE GAS EMISSIONS (GHG)



**USD 8.9 cents per
kilowatt-hour**

versus USD 18.2 cents per kilowatt-hour
average electricity price in Costa Rica⁴

11

Permanent workers in
Costa Rica

0

Serious accidents since
commercial operations

2,734 tonnes

Of carbon emissions (CO₂)
were avoided in 2020

70,913,917 kWh

Green power generation in
2020

⁴ Climatescope 2020 by Bloomberg NEF: <http://global-climatescope.org/results/CR#power-prices-and-lcoes>

SAN ISIDRO – EL SALVADOR:

RESILIENCE THROUGH COVID-19 AND COMMITMENT TO THE COMMUNITY

COMPLETED IN SCHEDULE AND BUDGET



**USD 8.9 cents per
kilowatt-hour**

versus USD 16.4 cents per kilowatt-hour
average electricity price in El Salvador⁵

233

Jobs created during peak
construction
in 2020

5

Direct jobs to be created
during operation
period of 20 years

160

Food kits donated to
the community to
relieve
COVID-19 impact

11,786,000 kWh

Projected green
power to be
produced in 2021

⁵ El Salvador Power Market Outlook to 2030 by GlobalData: <https://power.globaldata.com/Analysis/TableOfContents/El-Salvador-Power-Market-Outlook-to-2030--Update-2019-Market-Trends--Regulations--Electricity-Tariff-and-Key-Company-Profiles>

MANAGEMENT DISCUSSION AND ANALYSIS

The information contained in this section should be read in conjunction with the audited financial statements for the period ended December 31st, 2020. The audited financial statements of the Investment Company are available to shareholders of the Company upon request.

OVERVIEW OF THE BUSINESS

The Company was incorporated in November 2017 as a special purpose vehicle to facilitate investments from the region into MPC Caribbean Clean Energy Fund LLC. During the fourth quarter of 2018, the Company focused on capital raising activities resulting in the initial public offering. The IPO opened on December 3rd, 2018 and closed on December 21st, 2018 and raised USD 11,424,160.00 from 241 new shareholders combined, from both Jamaica and Trinidad and Tobago investors.

With the approval of the TTSE, the share allotment in Jamaica and Trinidad and Tobago has been completed on January 11th, 2019. The Company met the requirements of listing for both JSE and TTSE and as a result it was approved for listing and was admitted to begin trading on January 14th, 2019, on JSE Main Market, and the US Dollar equity markets of the JSE and the TTSE.

In accordance with Cayman regulation, the Investment Company has completed the relevant Anti-Money Laundering (**AML**) and KYC due diligence and accepted the Company as an investor member on March 27th, 2019.

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

The issuance period closed on January 10th, 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 November 6th, 2020, MPC Caribbean Clean Energy Limited issued a convertible promissory note to RBC Trust (Trinidad & Tobago) Limited in the amount of USD 10,000,000. After a satisfactory KYC process, MPC Caribbean Clean Energy Limited will make a third investment into MPC Caribbean Clean Energy Fund LLC, which will expect to happen in the second quarter of 2021.

Throughout 2020, MPC Caribbean Clean Energy Limited invested a total amount of USD 9,292,372.58 into the Investment Company which is a Cayman Islands limited liability company for investments in renewable energy projects in Jamaica, Trinidad and Tobago and the wider Caribbean Basin. MPC Caribbean Clean Energy Limited is an investor member in the Investment Company. The investment activities of the Investment Company are managed by its Managing Board Member, MPC Clean Energy Ltd. which is advised by its engaged investment adviser, MPC Capital GmbH (**Investment Adviser**), both of which are wholly owned subsidiaries of MPC Münchmeyer Petersen Capital AG (MPC Capital).

The MPC Group - Münchmeyer Petersen & Co. GmbH is a Hamburg, German-based international group of companies with a 170-year history. MPC Capital is an investment manager with USD 4.4 billion in assets under management across real asset sectors such as shipping, real estate and infrastructure with core focus on clean energy assets. MPC Capital was founded in 1994, as a subsidiary of the international MPC Group and has been publicly listed in Germany since 2000.

The Caribbean region relies heavily on fossil fuel imports and thus has high corresponding electricity prices. With marked growth in the demand for energy, renewable sources are increasingly becoming an economical form of new electricity generation. According to CARICOM's Sustainable Energy Roadmap, its 15 members aim to install some 5.3 GW of clean energy over the next ten years, requiring investments of approximately USD 8.4 billion. The Investment Company has strategically targeted a wider regional area including Central American countries that potentially allows

it to offer a significantly more attractive opportunity. Recently, there is more opportunities emerging for energy efficiency and energy storage in the region.

One of the key supporting factor along with the implementation of a “political” roadmap for sustainable energy by the governments of the Caribbean Basin, is undoubtedly the economic benefits caused by the transition from fuel oil based to renewable energy. The costs of electricity generation from renewable energy resources such as solar photovoltaic or and on-shore wind have significantly decreased during the past decade. Comparatively, a kilowatt hour can often be produced at the same price or cheaper than from a fossil fuel (such as coal, diesel, or LNG) power plant. At this attractive and affordable cost of power produced by clean technology, reduced electricity bills will free up valuable liquidity that can be utilized for other economic growth-related investments.

In addition, renewable energy production, energy storage and energy efficiency helps to reduce the imports of fossil fuel. This will therefore assist in reducing the deployment of valuable US dollar reserves as well as economic dependency from the exporting countries. The energy transition towards a clean and climate-resilient energy infrastructure improves the energy security of a country, its economy and citizens.

The Investment Company is one of a handful of investment funds specializing in clean energy investments in the Caribbean. The investment objective of the Investment Company is to generate attractive risk-adjusted returns with an emphasis on capital protection, generating stable cash yields, and capital appreciation. These sound objectives will be realized through investments primarily in solar PV and wind farm assets in the Caribbean. The Investment Company will acquire investments mainly during the final stages of the development period, subject only to conditions precedent including financial closing or, in an all-equity financing, subject to the execution of the construction contract and obtaining all relevant other contracts, licenses, authorizations and permits to construct and operate the asset. Investments will not bear any development risks.

At these final stages, the projects are significantly de-risked, with the main contracts and permits in place. These typically include leases of land, power purchase agreements, construction and operation contracts, insurance and project finance, as well as environmental, building, interconnection and operational permits.

The Investment Company’s first asset ‘Paradise Park’ is a project comprising a 51.5 MWp solar PV plant in Jamaica requiring a total investment of USD 64 million. The project reached financial close in June 2018 with senior project finance amounting to USD 48.5 million from PROPARCO, a French development financial institution, and FMO, the Dutch development bank. Commercial operations started in June 2019 and ‘Paradise Park’ became the cheapest generator of electricity in Jamaica. The Investment Company owns indirectly a shareholding of 34.4% since April 2018.

The second asset ‘Tilawind’ is a 21 MW onshore wind farm based in Costa Rica. The Investment Company and ANSA McAL Limited acquired this wind farm jointly which required a total investment of approximately USD 50 million. The wind farm has been in operation since March 2015. The Investment Company owns (indirectly) through its shareholding 50% of the voting rights and 50% economic benefits since closing in April 2019.

In December 2020, MPC Capital GmbH announced successful technical completion of the San Isidro solar park project in El Salvador with a total deployment of USD 7.8 million. The commercial operations date was scheduled for early January 2021 when the solar park was set to provide 6.4 MWp of power and avoid an estimated of 36,000 tons of CO₂ emissions throughout its lifetime. With the completion of the construction, the solar park will become part of the investment portfolio owned by MPC Caribbean Clean Energy Fund LLC which after meeting customary conditions is expected to be acquired by the Investment Company in the first quarter of 2021.

The Investment Company continually determines the optimal capital structure for each of its investees. Given the cross-regional investment structures for each investee, the Investment Company acquires typically common stock and provides capital in the form of shareholder loans.

More details about the distinct positive socio-economic impact of ‘Paradise Park’ and ‘Tilawind’ can be found in the section about ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) FACTORS.

The Company's revenue model is to receive repayment of capital and dividends from its subscription into the Investment Company and its underlying investments in clean energy assets such as 'Paradise Park' or 'Tilawind' located in the wider Caribbean Basin. The long-term vision is to participate as an investor member in the activities of the Investment Company and to benefit financially from a highly diversified portfolio of clean energy investments.

After providing for an appropriate liquidity reserve to cover administrative and business expenses as well as contingencies, the Investment Company intends to pay out up to 100% of the distributions received. The Company aims for an annual dividend and the dividend policy is subject to review from time to time by the Board.

RESULTS OF OPERATIONS

As of December 31st, 2020, the holdings of shares in the capital of the Company (including legal and, where known to the Company, beneficial holdings) are held with various investors from Jamaica and Trinidad and Tobago. On November 8th, 2019, the Company opened a Rights Issuance where existing shareholders were given the option to acquire two new shares for every share they originally owned. All the non-exercised rights were made available to new investors to purchase. The issuance period closed on January 10th, 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. Therefore, as of December 31st, 2020 the Company has 21,666,542,160 issued Class B shares that are traded on TTSE and JSE.

Following the successful compliance clearance of the additional capital raised by the Company, the Board of Directors of the Company resolved to invest the proceeds of the Rights Issuance into the Investment Company on June 17th. Subsequently, the Managing Board Member of MPC Caribbean Clean Energy Fund LLC approved the additional subscription by the Company in the amount of USD 9,292,378.58 on July 7th, 2020. The drawdown of the funds into the Investment Company occurred on July 13th, 2020.

The Company generated income of USD 26,815 during the relevant period in 2020 with the operating expenses incurred amounting to USD 165,118 and as a result, the net loss of the Company amounts to USD 138,303. The investees of Tilawind and Paradise Park earned combined asset based revenues of USD 13.36 million resulting in an EBITDA of USD 10.97 million (on 100% shareholding basis) or a pro-rated EBITDA of USD 3.68 million considering the actual shareholdings of the Investment Company and the Company respectively.

At the end of 2020, the Company had USD 10,495,841 cash at the bank and the accumulated deficit for the period was USD 335,705 compared to USD 197,402 in 2019. Also, the share capital of the company increased to USD 20,005,778.

In 2020 the expenses of the Company were below the approved budget, USD 165,118 compared to approved budget of USD 193,000.

OUTLOOK

At December 31st 2020, the Company has a liquidity reserve of approximately USD 322,946 to cover ongoing operational expenses. Provisions to retain proceeds of the Rights Issue in order to cover the budget of the Company for the upcoming two years are made by the management of the Company.

As an investor member, the Company will participate from now on in any potential future distributions of the Investment Company. The Investment Company informed the Company's Board that the initial two seed assets, Paradise Park and Tilawind were slightly below financial projections in 2020. Lower wind speeds than expected affected the energy generation of Tilawind (13.0% below). The energy generation in Paradise Park was affected by a serial defect on DC cables. This issue resulted in the generation being 10.9% below budget. The new asset, San Isidro, concluded construction activities in December, 2020 in time and budget. The start of commercial operations has been achieved on January 29th, 2021.

The Company's revenue, and therefore its distributions to shareholders, will be dependent on, amongst other things:

- (1) the net proceeds available for investment in the Investment Company (subject to the retentions);
- (2) the success of the underlying investments made by the Investment Company which will generate profits for distribution by the Investment Company to its investor members, including the Company (after the deduction of all applicable costs and expenses at the Investment Company level);
- (3) the proportion that the Company's investment in the underlying Investment Company bears to aggregate such investments, given that distributions will generally be made on a pro-rated basis among the Investment Company's investors (subject to any adjustments contemplated in the Investment Company documentation, including due to excuse rights of investor members in the Investment Company, if applicable); and
- (4) the amount (if any) which the Company's Board determines should be maintained by the Company as a reserve to cover any costs or obligations of the Company owed to the Investment Company in accordance with the Investment Company's LLC Agreement.

The following significant events occurred after the balance sheet date of December 31, 2020:

- March 2nd 2021: following the payment of the purchase price, The Investment Company of MPC Caribbean Clean Energy Limited has acquired 6.4 MWp solar park San Isidro in El Salvador.
- November 6th 2020: MPC Caribbean Clean Energy Limited issued a convertible promissory note to RBC Trust (Trinidad & Tobago) Limited in the amount of USD 10,000,000. After a satisfactory KYC process, MPC Caribbean Clean Energy Limited will make a third investment into MPC Caribbean Clean Energy Fund LLC, which will expect to happen in the second quarter of 2021.

COVID-19

The spread of COVID-19 pandemic has affected the business around the globe in a before unprecedented and unforeseeable way. Global disruption in supply chains, travel restriction and consequently reduced tourism has largely affected Caribbean Basin economies, which are key markets of operations of the Company. Until to date, the operations of the investees of the Investment Company were not materially affected by the economic consequences of the pandemic, given that energy generation has been recognized as an essential industry throughout the region. The investees of the Investment Company, the Investment Advisor, the Investment Company and the Company are following the respective business continuity plan and stressed the importance of the health and safety measures to be reinforced on each stages of operations of the Company and the Investment Company, and the Investment Advisor.

RISK MANAGEMENT

The following outlines some of the key risks currently being faced by the Company and how these risks are being managed.

1. Risks relating to investing in the Company and, indirectly, the investment Company

Nature of Investment: The shares represent an indirect interest in the Investment Company and do not represent a direct investment in the Investment Company's net assets. Therefore, an investment in the shares should not be viewed as direct interests in the Investment Company or its assets. Shareholders will not be entitled to directly participate in any meeting or vote of the members of the Investment Company, and as such have limited rights in relation to the corporate and operating decisions of the Investment Company. The Investment Company's Managing Board Member considered the recommendation of the Company to have certain representation on the advisory committee of the Investment Company. The Managing Board Member has currently approved three shareholders of the Company to nominate a representative for the advisory committee.

Diversification Risk. The Company's sole investment will be interests in the Investment Company and will therefore be dependent on the performance of the Investment Company. Similarly, the Investment Company will only participate in a limited number of investments and the unfavorable performance of a single investment may adversely affect the aggregate return of the Investment Company. Other than some short-term holdings in cash or cash equivalents, near cash instruments, money market instruments and money market funds, cash funds and hedging instruments, the Investment Company will invest exclusively in clean energy projects in the target region and will therefore bear the risk of investing in only one particular sector. Consequently, there is no guarantee that there will be a sufficient number of attractive investments available to the Investment Company, and that the Investment Company will be able to invest fully all of its capital during the Investment Period. Furthermore, if the Investment Company is unable to syndicate an investment within the anticipated timeframe, the Investment Company risks exceeding its diversification limits in respect of such investment.

Currency Risk: The Investment Company will be denominated in and the base currency of the Investment Company will be USD. The Investment Company may however make investments in projects whose revenues are denominated in other local currencies, such that the Investment Company may be exposed to currency rate movements. Whilst the Investment Company may enter into hedging arrangements to mitigate this risk to some extent, it is not obliged to do so and there can be no assurance that such arrangements can or will be entered into or that they will be sufficient to cover such risk.

Leverage Risk. The use of debt to leverage investments may increase exposure to adverse general economic conditions, significant increase in interest rates or a deterioration in the condition/performance of the Investment Company's investments that means that it is unable to service its debt repayments when due. Although the use of leverage may enhance returns on equity, leverage also increases the risk of loss since borrowings represent a prior claim on assets and require fixed payments, regardless of the profitability of particular investments encumbered by such borrowings. In the case of default under any borrowing, some or all of the assets of the borrower could be taken by lenders in payment of their claims. As a general matter, the presence of leverage can accelerate losses.

Interest Rates, Inflation and Other Financial Risks. General movements in local and international stock markets, prevailing economic conditions, investor sentiment and interest rates could have a substantial negative impact on the value of the Investment Company's investments and investment opportunities in general. If an investment is incorrectly valued by the financial markets, the disposal opportunities available for that investment may, in the case of an undervaluation, be unattractive or, in the case of an overvaluation, be limited. The valuation of an investment could also be significantly adversely affected by inflation.

Reliance on the Managing Board Member and the Investment Adviser and Dependence on Key Executives: The Investment Company will rely upon the Investment Adviser advising the Managing Board Member in formulating the investment strategies. The bankruptcy or liquidation of the Investment Adviser, the Managing Board Member or any of their respective associates may have an impact on the value of the Investment Company. Investor members in the Investment Company must rely on the judgement of the Investment Adviser, the Managing Board Member and their respective agents, in particular on the judgement of their respective principals, officers and employees. The Investment Company prohibits investor members, including the Company, from participating in the day-to-day control, operation or management of the affairs of the Investment Company, including advising or making decisions on the merits of investments and/or dispositions. While the investor members in the Investment Company, including the Company, may be able to voice any concerns and recommendations at general meetings, the performance of the Investment Company will be dependent to a material extent on the ability of the key personnel and other team members to source, acquire, manage and realize investments and, notwithstanding any track record they may have in this field, there is no guarantee that they will be able to do so successfully. In addition, the performance of the Investment Company could be adversely affected should one or more key personnel leave or cease to be associated with the Investment Company's investment activities. Given the specific regional and sector focus of the Investment Company, it may be difficult for the Investment Adviser and the Managing Board Member to replace key personnel with individuals with the necessary knowledge, skills and experience. Consequently, investing in the Investment Company will involve a higher degree of risk compared to a similar vehicle investing in developed markets where the pool of investment professionals to recruit tends to be larger.

Investment Selection: Not all of the projects where investments that will be made have been identified. Accordingly, investor members in the Investment Company, including the Company, will not have an opportunity to review a full portfolio and a comprehensive set of terms of the investments. The likelihood that such investor members will realize any gain on an investment depends mainly on the skill and expertise of the personnel of the Managing Board Member and the Investment Adviser. The Investment Company's maximum exposure per single investment is 20% and to a single CARICOM country 25%, while its maximum exposure to single non-CARICOM country is 15% and total non-CARICOM countries not more than 35%. The Investment Company will assemble a portfolio of assets with stable and predictable cash flows and generally will seek to exit these at around at the end of the term of the Investment Company, although earlier divestments during the liquidation period will be considered where in the best interests of the Investment Company. The main divestment options are:

- Sale of individual assets
- Sale of cluster of assets
- Sale of entire portfolio

Possible buyers for each of these options include utilities, yieldcos, industrial companies, private equity funds, pension funds, consortiums, independent power producers and infrastructure funds. The options will be evaluated based mainly on the appetite of potential buyers at the time of the decision and based on the final value created for the Investment Company investor members. Each one of these options has advantages and disadvantages, but a proper comparison will be carried out also taking into account timing and complexity of execution, together with transaction costs and certainty of completion.

2. Risks relating to investing in renewable energy projects

Power Purchase Agreement Risk. Companies engaging in renewable energy projects will often enter into power purchase agreements ("PPAs") for electricity offtake. Payments by power purchasers to such projects pursuant to their respective PPAs may provide the majority of such companies' or projects' cash flows. There can be no assurance that any or all of the power purchasers will fulfil their obligations under their PPAs or that a power purchaser will not become bankrupt or that upon any such bankruptcy its obligations under its respective PPA will not be rejected by a bankruptcy trustee. There are additional risks relating to the PPAs, including the occurrence of events beyond the control of a power purchaser that may excuse it from its obligation to accept and pay for delivery of energy generated by a company or project. The failure of a power purchaser to fulfil its obligations under any PPA or the termination of any PPA may have a material adverse effect on a portfolio company or project.

General Infrastructure Risks. Investing in infrastructure assets may be subject to a variety of risks, not all of which can be foreseen or quantified, including operating, economic, environmental, commercial, currency, regulatory, political and financial risks. There is no assurance that the investments made by the Investment Company will be profitable or generate cash flows sufficient to provide a return on or recovery of amounts invested therein. Furthermore, although the Managing Board Member believes that significant opportunities in infrastructure currently exist, there is no assurance that the Investment Company will be able to invest investor members' commitments fully or that suitable investment opportunities will be identified that satisfy the Investment Company's investment objectives. If the Investment Company is unable to invest investor members' commitments fully, the potential return to investor members, including the Company, could be materially reduced.

Construction, Operational and Technical Risks. The assets involve certain risks arising from the construction and operation of the projects which can be influenced by a number of unforeseen factors, such as: political opposition, regulatory and permitting delays, labour and materials shortages, strikes, disputes, environmental issues, force majeure, or failure by one or more of the project investment participants to perform in a timely manner their contractual, financial or other commitments. A material delay or increase in unabsorbed cost could significantly impair the financial viability of a renewable energy investment project and result in a material adverse effect on the Investment Company's investment.

Other risks associated with the operation of renewable energy projects are of a technical nature, including the risk of mechanical breakdown, spare parts shortages, failure to perform according to design specifications and other unanticipated events which adversely affect operations. While in certain investments, creditworthy and

appropriately bonded and insured third parties may bear some of these risks, there can be no assurance that any or all such risk can be mitigated or that such parties, if present, will perform their obligations or that insurance will be available on commercially reasonable terms. An operating failure may lead to fines, expropriation, termination or loss of a license, concession or contract on which a portfolio company is dependent. In addition, the long-term profitability of the infrastructure assets is partly dependent upon their efficient operation and maintenance, failure of which could reduce returns to investor members, including the Company.

FORWARD-LOOKING STATEMENTS

Forward-looking statements presented in this report are based on various assumptions. The assumptions are subject to uncertainties and contingencies that are difficult or impossible to predict. MPC Caribbean Clean Energy Limited cannot give assurances that expectations regarding the outlook will be achieved or accomplished.

REMUNERATION OF THE BOARD DIRECTORS

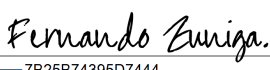
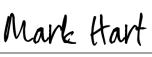
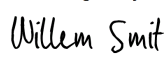
For the period ended December 31st, 2020, each independent director who is a natural person received its remuneration of USD 5,000 p.a., covering work related to both Board representation and sub-committee participation. Guardian Nominee as corporate director received a basic remuneration of USD 3,500. Additionally, special efforts may be charged on an hourly rate. Executive director and Board member has waived its remuneration. The remuneration of the Board is not linked to the Company's performance. Board members have no options to buy shares in the Company, nor do they receive compensation other than the Board remuneration. Board remuneration is considered to be on market terms.

RESPONSIBILITY STATEMENT

We confirm that, to the best of our knowledge, the audited financial statements presented in this report have been prepared in accordance with International Financial Reporting Standards and give a true and fair view of the Company's assets, liabilities, financial position and profit or loss. We also confirm to the best of our knowledge that the Management Discussion and Analysis' report includes a fair review of the development and performance of the business and the position of the Group and a description of risks and uncertainties.

Barbados, 2021

The Board of Directors of MPC Caribbean Clean Energy Limited

Fernando Zúñiga Chairman of the Board	DocuSigned by:  7B25B74395D7444...
A. Mark D. Hart Director	DocuSigned by:  B9C3DE9791854F8...
Alastair B. Dent Director	DocuSigned by:  D1A3951E5EFE41D...
Steven Marston Director	DocuSigned by:  9B380EA0D42E4D6...
Guardian Nominees (Barbados) Limited Director	<div style="display: inline-block; width: 45%;"> DocuSigned by:  84D989A2259E40B... </div> <div style="display: inline-block; width: 45%;"> DocuSigned by:  AAC2DD6636444A2... </div>

AUDITED FINANCIAL STATEMENTS

MPC CARIBBEAN CLEAN ENERGY LIMITED
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR
ENDED DECEMBER 31, 2020

MPC CARIBBEAN CLEAN ENERGY LIMITED

FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR
ENDED DECEMBER 31, 2020

Table of Contents

	Page
Chairman's Report to the Shareholders	2 to 3
Independent Auditor's Report	4 to 6
Statement of Financial Position	7
Statement of Comprehensive Income	8
Statement of Changes in Net Assets Attributable to Shareholders	9
Statement of Cash Flows	10
Notes to the Financial Statements	11 to 22
Director/Officer Shareholding / Top 10 Shareholders	23



Tel: + 246 435 2001
Fax: + 246 437 5366
www.bdo.bb

BDO Barbados
The Gables, Haggatt Hall
St. Michael BB11063
Barbados, West Indies

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
MPC Caribbean Clean Energy Limited

Opinion

We have audited the financial statements of MPC Caribbean Clean Energy Limited (the "Company"), which comprise the statement of financial position as of December 31, 2020, and the statement of comprehensive income, statement of changes in net assets attributable to shareholders and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Additional Class B shares issued and listed on Jamaica and Trinidad and Tobago Stock Exchanges

Following the renounceable rights issue by the Company in November 2019, the Company issued 10,242,382 new Class B Redeemable Participating and Voting Shares of no par value ("New Class B Shares") to the successful applicants in the rights issue. The New Class B Shares were listed on the Trinidad & Tobago (TTSE) and Jamaican (JSE) Stock Exchanges in February and March 2020 respectively which raised a total amount of USD 9,900,452 and increased the Company's issued share capital to 21,666,542 Class B Shares.

Additional investment in MPC Caribbean Clean Energy Fund LLC, at fair value

The Company invested proceeds from the New Class B Shares of approximately USD 9,292,373, net of underwriting costs and administrative expenses, in MPC Caribbean Clean Energy Fund LLC in July 2020. The Company records its investment in MPC Caribbean Clean Energy Fund LLC at fair value, based on its proportionate share of the net asset value of MPC Caribbean Clean Energy Fund LLC.

Convertible promissory note

As described in Note 6 to the financial statements, the Company issued a convertible promissory note (the "Note") to the amount of USD 10,000,000 to RBC Trust (Trinidad & Tobago) Limited on December 9, 2021. At maturity, on March 31, 2023, if the principal sum of the Note is unpaid in cash on that date or earlier, the Note will be converted into Class B shares of the Company. Due to the possibility of the Note being settled in cash at maturity or an earlier date, it is classified as a financial liability in the statement of financial position.

BDO Barbados registered by BDO Professional Services Limited, a Barbados limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the International BDO network of independent member firms.



INDEPENDENT AUDITOR'S REPORT (Continued)

Key Audit Matters (continued)

COVID-19 pandemic

As described in Note 12 to the financial statements, the coronavirus outbreak in January 2020 ("COVID-19") has adversely affected global economic activity and global financial markets, including signals of an uptick in illiquid or inactive markets, which may cause a change in valuation methodology and/or technique as well as the observability of inputs to be used in valuation techniques. Depending on the severity and length of the outbreak, this pandemic could present material uncertainty and risk with respect to the Company.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statement of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Information

The directors are responsible for the other information presented with the financial statements. The other information comprises the information included in the Chairman's Report to the Shareholders and the Director / Officer Shareholding / Top 10 Shareholders, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other Matter

This report has been prepared for and only for MPC Caribbean Clean Energy Limited and its shareholders in accordance with the terms of our engagement letter dated March 1, 2021 and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Philip Atkinson.

BDO Barbados

Barbados
May 6, 2021

[Signature]

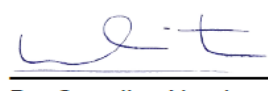
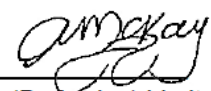
MPC CARIBBEAN CLEAN ENERGY LIMITED
Statement of Financial Position

As at December 31, 2020
 (Expressed in United States dollars)

	<u>NOTE</u>	<u>2020</u> USD	<u>2019</u> USD
Assets			
Investment in MPC Caribbean Clean Energy Fund LLC, at fair value	3, 4	19,226,718	9,907,530
Cash and cash equivalents		10,495,841	89,436
Prepayments		4,667	3,656
Total Assets		<u>29,727,226</u>	<u>10,000,622</u>
Liabilities			
Accruals		31,781	31,884
Accounts payable		3,717	5,754
Due to related party	5	21,654	55,059
Convertible promissory note	6	10,000,000	-
Liabilities (excluding Net Assets Attributable to Shareholders)		<u>10,057,152</u>	<u>92,697</u>
Net Assets Attributable to Shareholders		<u>19,670,074</u>	<u>9,907,925</u>
Represented By:			
Share capital	7	20,005,779	10,105,327
Accumulated deficit		(335,705)	(197,402)
		<u>19,670,074</u>	<u>9,907,925</u>

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

Approved and authorised for issue by the Board of Directors on May 6, 2021

By: Guardian Nominees (Barbados) Limited
 Title: Director
 Per: W.A. Smit / Amanda G. McKay



By: Jose Fernando Zuniga Galindo
 Title: Chairman

MPC CARIBBEAN CLEAN ENERGY LIMITED
Statement of Comprehensive Income

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

	<u>NOTE</u>	<u>2020</u> USD	<u>2019</u> USD
Investment Income			
Net change in unrealized gain on investment in MPC Caribbean Clean Energy Fund LLC		26,815	272,407
Total Investment Income		<u>26,815</u>	<u>272,407</u>
Expenses			
Administrative fees		56,184	42,676
Legal & professional fees		19,817	113
Directors' fees		16,833	-
Insurance expense		15,938	21,663
Audit fee		13,125	18,000
Accountancy fees		13,000	11,241
Advertising costs		10,429	34,985
Travel & accommodation		10,031	-
Fines & penalties		4,088	1,750
Bank charges		3,673	3,926
Corporate fees		1,500	500
License fees		500	54,726
Entertainment		-	20,639
Other expenses		-	5,508
Total Expenses		<u>165,118</u>	<u>212,727</u>
Comprehensive (Loss) / Income before Taxation		<u>(138,303)</u>	<u>59,680</u>
Taxation		-	-
Net Comprehensive (Loss) / Income		<u>(138,303)</u>	<u>59,680</u>
		USD	USD
Basic (loss) earnings per share	8	(0.01)	0.01

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

MPC CARIBBEAN CLEAN ENERGY LIMITED
Statement of Changes in Net Assets Attributable to Shareholders

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

	Class A Share Capital	Class B Share Capital	Accumulated Deficit	Total
	USD	USD	USD	USD
Balance as at January 1, 2019	1	-	(257,082)	(257,081)
Issuance of participating shares (Note 7)	-	11,120,203	-	11,120,203
Distributions (Note 9)	-	(1,014,877)	-	(1,014,877)
Net comprehensive income for the year	-	-	59,680	59,680
Balance as at December 31, 2019	1	10,105,326	(197,402)	9,907,925
Issuance of participating shares (Note 7)	-	9,900,452	-	9,900,452
Net comprehensive loss for the year	-	-	(138,303)	(138,303)
Balance as at December 31, 2020	1	20,005,778	(335,705)	19,670,074

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

MPC CARIBBEAN CLEAN ENERGY LIMITED
Statement of Cash Flows

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

	2020 USD	2019 USD
Cash flows from operating activities		
Net comprehensive income/(loss) for the year	(138,303)	59,680
Investment purchases	(9,292,373)	(10,650,000)
Distribution received (Note 9)	-	1,014,877
Adjustments for non-cash income and expenses:		
Net change in unrealized gain on investment in MPC Caribbean Clean Energy Fund LLC	(26,815)	(272,407)
Changes in operating assets and liabilities:		
(Increase)/decrease in prepayments	(1,011)	1,011
Decrease in deferred underwriting cost	-	177,864
(Decrease)/increase in accounts payable	(2,037)	(125,266)
(Decrease)/increase in accruals	(103)	(127,831)
(Decrease)/increase in due to related party	(33,405)	(94,221)
Net cash used in operating activities	<u>(9,494,047)</u>	<u>(10,016,293)</u>
Cash flows from financing activities		
Net Proceeds from issuance of redeemable shares	9,900,452	11,120,203
Distribution paid (Note 9)	-	(1,014,877)
Proceeds from issuance of convertible promissory note	10,000,000	-
Net cash provided by financing activities	<u>19,900,452</u>	<u>10,105,326</u>
Net Increase in cash and cash equivalents	<u>10,406,405</u>	<u>89,033</u>
Cash and cash equivalents at the beginning of the year	89,436	403
Cash and cash equivalents at the end of the year	<u>10,495,841</u>	<u>89,436</u>

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

MPC CARIBBEAN CLEAN ENERGY LIMITED

Notes to the financial statements

For the financial year ended December 31, 2020
(Expressed in United States dollars)

Note 1 – COMPANY BACKGROUND

MPC Caribbean Clean Energy Limited (the "Company") was incorporated on November 8, 2017, under the laws of Barbados and operates 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 is part of a "master-feeder" structure whereby it invests substantially all of its assets in MPC Caribbean Clean Energy Fund LLC ('MPC CCEF' or 'the Fund'), a Limited Liability Company incorporated under the laws of Cayman Islands. The investment objective of MPC CCEF is to generate attractive risk adjusted returns with an emphasis on capital protection, generating stable cash yields, and capital appreciation, through investments primarily in solar PV and wind farm assets in the Caribbean. At December 31, 2020, the Company owned 79.95% of MPC CCEF.

MPC Clean Energy Ltd. acts as the Manager of MPC CCEF (the "Company Manager"). Investment decisions for MPC CCEF are made by the Company Manager. In connection with its appointment as Company Manager and its exercise of investment discretion for MPC CCEF, the Company Manager has appointed MPC Renewable Energies GmbH, a 100% subsidiary of MPC Capital AG, as an investment adviser to the Company Manager.

Following the Directors resolution on November 5, 2018 to approve the initial public offer of up to 50,000,000 of the Company's Class B Redeemable Participating and Voting Shares without par value ("the IPO") at and for the price of JA\$135.00 per Share in Jamaica and US\$1.00 per share in Trinidad and Tobago, the IPO of Class B Shares at the Jamaican and Trinidad & Tobago Stock Exchanges raised a total amount of USD 11,424,160. On January 14, 2019 the Company was admitted to commence trading by both the Trinidad and Tobago Stock Exchange (TTSE) and the Jamaica Stock Exchange's (JSE) Main Market, and the US Dollar Equity Markets. The ratification of the new Class B shareholders and the drawdown of the subscription funds received following the IPO were agreed upon by a resolution of the Board of Directors dated January 22, 2019. Funds raised in the IPO, amounting to approximately USD 10,650,000, were invested into MPC CCEF in March 2019.

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 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 required were completed and on July 13, 2020 the raised funds of USD 9,292,373, net of underwriting costs and administrative expenses, were invested into MPC Caribbean Clean Energy Fund LLC.

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

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are presented in USD (United States Dollar), which is the functional currency of the Company and have been prepared in accordance with the International Financial Reporting Standards ("IFRS") circulated by the International Accounting Standards Board ("IASB"). The financial statements are prepared on a going concern basis which anticipates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The Company will continue to rely on its shareholders and / or outside financing to meet its commitments.

2.2 Use of accounting estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period reported. These estimates are based on historical experience and management's best knowledge of current events and are reviewed on an ongoing basis. Actual results could differ from those estimates. The effect of a change in an accounting estimate is included in the determination of income during the period reported.

2.3 Investment Entity

The Company is considered to meet the definition of an investment entity as defined by IFRS 10 as it indirectly invests in more than one investment through MPC CCEF, it has more than one investor, it has investors that are not related parties and it offers ownership interests to which a proportionate share of the net assets of the Company are attributable. As required by IFRS 10.31, the Company has therefore reflected the 79.95% ownership in the Investment Company at fair value through profit or loss. Accordingly, changes in the fair value of the investment are recorded as profit or loss in the statement of comprehensive income.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in United States Dollars (USD), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

2.5 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of ninety days or less when purchased.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Financial Instruments

Financial Assets

(i) Recognition and measurement

Regular purchases and sales of investments are recognised on the trade date – the date on which the Company commits to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the Statement of Comprehensive Income.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within net realised and change in unrealised gain/(loss) on investment in MPC CCEF.

The Company classifies its investment in MPC CCEF at fair value through profit or loss ("FVTPL"). Cash and cash equivalents are classified as financial assets at amortised cost.

(ii) Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

Financial Liabilities

(i) Recognition

A financial liability is a contractual obligation to deliver cash or another financial asset to another entity under conditions that are potentially unfavourable to the entity. The Company includes in this category accounts payable, accruals, due to related party, convertible promissory note and net assets attributable to shareholders.

(ii) Derecognition

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities at fair value through profit or loss

Financial assets and financial liabilities designated at fair value through profit or loss at inception are financial instruments that are managed, and their performance is evaluated on a fair value basis in accordance with the Company's documented investment strategy.

The Company records its investment in MPC CCEF at fair value, based on its proportionate share of the net asset value of MPC CCEF.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Distributions

Proposed distributions to holders of redeemable participating shares are recognised in the statement of changes in net assets attributable to shareholders when they are appropriately authorised and no longer at the discretion of the Company. This typically occurs when a proposed distribution is ratified by the Directors.

2.8 Revenue recognition

Gains and losses from changes in fair value of financial assets at fair value through profit and loss are included in the Statement of Comprehensive Income in the period which they arise.

2.9 Expense recognition

Accounts payable are recognized initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.10 Related parties

Transactions between the Company and related parties are accounted for as related party transactions if one of the parties has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Companies are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

2.11 Underwriting costs

Cost incurred in connection with stock exchange listings may include registration and other regulatory fees, amounts paid in legal, accounting and other professional advisers, printing costs and stamp duties. Such costs are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided. During the year, underwriting costs amounting to USD 341,930 (2019: USD 303,957) were recorded in the Company's Statement of Financial Position and deducted from equity following receipt of subscription funds upon the initial public offering (Note 1 and Note 6).

2.12 Taxation

The taxation charged is determined on the basis of tax effect accounting using the liability method, which takes account of any material differences arising from the inclusion of items of income and expenditure in taxation computations of a period different from those in which they are included in the financial statements and to the extent that a material liability or asset is expected to crystallise in the foreseeable future.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Taxation (continued)

The Company currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are shown as a separate item in the statement of comprehensive income. No withholding tax was recorded for the year ended 2020 and 2019.

Note 3 – INFORMATION ABOUT KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENT

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including future expectations.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

- Fair value estimation

Fair value amounts represent estimates of the consideration that would currently be agreed upon between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market value, if one exists.

Financial instruments carried at fair value in the financial statements are measured in accordance with a fair value hierarchy. This hierarchy is as follows:

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 3 – INFORMATION ABOUT KEY SOURCES OF ESTIMATION UNCERTAINTY AND JUDGEMENT
 (Continued)

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

The following table analyses within the fair value hierarchy the Company's assets and liabilities measured at fair value through profit or loss as at December 31, 2020.

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial instruments measured at fair value through profit or loss				
Investment in MPC CCEF	-	-	19,226,718	19,226,718
	-	-	19,226,718	19,226,718

The following table analyses within the fair value hierarchy the Company's assets and liabilities measured at fair value through profit or loss as at December 31, 2019

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial instruments measured at fair value through profit or loss				
Investment in MPC CCEF	-	-	9,907,530	9,907,530
	-	-	9,907,530	9,907,530

Note 4 – INVESTMENT ACTIVITIES

MPC CCEF prioritises investments in solar PV and wind projects, ranging from 10 MW to 100 MW in size, in the Caribbean and Central American regions, more specifically in the member states, associate members and observers of the Caribbean Community (CARICOM) and Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, as these countries are characterised by a growing demand for electricity, high prevailing energy costs, enabling environments and relatively low levels of competition.

In April 2018, MPC CCEF acquired a 68.8% shareholding in EREC Investment Ltd., a Barbadian company holding 49.99% of shares in Eight Rivers Energy Company Limited ("EREC"), a company engaged in the development and construction of the Paradise Park, a utility-scale solar farm situated on a 200-acre ground-leased site in Jamaica. The project reached financial close in June 2018 and, following construction and development, the plant begun operating in June 2019.

MPC CARIBBEAN CLEAN ENERGY LIMITED**Notes to the financial statements**

For the financial year ended December 31, 2020
(Expressed in United States dollars)

Note 4 – INVESTMENT ACTIVITIES (Continued)

In 2018 the Company also entered into an agreement with ANSA McAL Limited for the joint acquisition of Tilawind Wind Farm, a 21MW utility-scale wind farm consisting of seven Vestas V90-3.0MW Wind Turbine Generators (WTGs) in Costa Rica, owned and operated by Tilawind Corporation S.A, a Costa Rican corporation limited by shares. The joint venture purchase was acquired through a Barbados international business company named CCEF ANSA Renewable Energies Holdings Limited. Effective April 26, 2019, the investment in the Costa Rican Wind Farm was commercially completed.

The movements in the investment in MPC Caribbean Clean Energy Fund LLC at December 31, 2020 and 2019 were as follows:

	2020 USD	2019 USD
At January 1	9,907,530	-
Acquisition cost of investment	9,292,373	10,650,000
Distribution Received	-	(1,014,877)
Valuation gain on investment	26,815	272,407
At December 31	19,226,718	9,907,530

Note 5 – RELATED PARTY BALANCES AND TRANSACTIONS

The following transactions were carried out with related parties:

(a) 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 Renewable Energies GmbH on behalf of the Company during the year ended December 31, 2020 and the related balances payable by the Company to MPC Renewable Energies 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:

	2020 USD	2019 USD
At January 1	55,059	149,280
Related party payments of expenses	12,624	144,051
Reimbursement payments to related party	(46,029)	(238,272)
At December 31	21,654	55,059

(b) Key management compensation

Total remuneration to the Board of Directors and other members of key management (including salaries and benefits) for the year ended December 2020 was USD 16,833 (December 2019: USD 20,639).

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 6 – CONVERTIBLE PROMISSORY NOTE

On December 9, 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, at a rate 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, 2023, if the principal sum of the note is unpaid in cash on that date or earlier, 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.

Note 7 – SHARE CAPITAL

On incorporation in 2017, the Company was authorised to issue an unlimited number of shares without nominal or par value of 1 Class designated as common shares. As at December 31, 2017, 1 share was issued and fully paid. On January 4, 2018 the Company's share capital was amended as follows:-

- (a) to issue an unlimited number of voting, non-participating shares re-designated as Class A shares with no par value (also known as "Management Shares")
- (b) to issue an unlimited number of Class B redeemable participating and voting shares with no par value (also known as "Participating Shares")
- (c) to issue an unlimited number of Class C redeemable participating and voting shares with no par value (also known as "Participating Shares")

Subsequently, on October 17, 2018 an amendment removed the Class C shares. At the same time, the rights of the Class B shares were varied primarily so that they may be redeemed by the Directors in the By-Laws from time to time and that they shall be listed on the Jamaica Stock Exchange, the Trinidad and Tobago Stock Exchange and/or any other exchange that the Directors may deem appropriate.

On January 14, 2019 the Company was admitted to commence trading by both the Trinidad and Tobago Stock Exchange (TTSE) and the Jamaica Stock Exchange's (JSE) Main Market, and the US Dollar Equity Markets. At the statement of financial position date, 5,390,420 redeemable Class B shares on the Trinidad and Tobago Stock Exchange (TTSE) were subscribed and fully paid up at a price of USD 1 per share, and 6,033,740 redeemable Class B shares on the Jamaica Stock Exchange's (JSE) Main Market were subscribed and fully paid up at a price of USD 1 per share.

On November 8, 2019, the Company opened a renounceable rights issue where existing shareholders in Trinidad and Tobago and Jamaica 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.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 7 – SHARE CAPITAL (Continued)

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.

As at December 31, 2020, there are 21,666,542 Class B redeemable participating and voting shares without par value in issue. Underwriting costs amounting to USD 341,930, directly attributable to the issuance of the Class B shares, were deducted from equity during the year ended December 31, 2020 (2019: USD 303,957).

At the statement of financial position date, 1 Class A share and 21,666,542 Class B shares were subscribed and fully paid.

The Class A (Management Share) is held by the Company Manager. The ultimate owner of the Company Manager is MPC Muenchmeyer Petersen Capital AG, a publicly listed German company (ISIN: DE000A1TNWJ4).

Note 8 – EARNINGS PER SHARE

	<u>2020</u> USD	<u>2019</u> USD
Net Income/(loss) before tax	(138,303)	59,680
Weighted average shares	20,035,405	11,424,160
Earnings per share for profit attributable to the Class B shareholders of the Company	<u>(0.01)</u>	<u>0.01</u>

Note 9 – DISTRIBUTIONS RECEIVED AND PAID

On August 21, 2019, the Directors of MPC CCEF resolved to make a distribution in the amount of USD 1,014,877 to the Company. The distributable amount originated from MPC CCEF's investment in a Costa Rican Wind Farm and from the repayment of a loan. The distribution was made by MPC CCEF and received by the Company on August 28, 2019. Subsequently, a corresponding distribution amounting to USD 1,014,877 was made to the shareholders of the Company on September 25, 2019.

No distributions were made during the year ended December 31, 2020.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 10 – CAPITAL MANAGEMENT

The Company's objective when managing capital is to maintain adequate levels of funding to support its operational activities and maximize member value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may issue or redeem shares and pay dividends to shareholders.

Note 11 – RISK MANAGEMENT

Financial Risk

Due to the nature of the master-feeder structure, the Company's investment in MPC CCEF may expose it to various types of risk, the amounts of which are not apparent from the financial statements. The most important types of financial risk to which the Company is exposed to are; market risk, credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The following summary is not intended to be a comprehensive outline of all risks and investors should refer to the Prospectus for a detailed discussion of the risks inherent in the Company.

- Market risk

Market risk embodies the potential for both losses and gains and includes interest rate risk, price risk, and currency risk. The Company's strategy on the management of investment risk is driven by the Company's investment objective. The Company's market risk is managed on a daily basis by the Company Manager in accordance with the Company's Bylaws.

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and volatility in financial markets across the world, including signals of an uptick in illiquid or inactive markets, which may cause a change in valuation methodology and/or technique as well as the observability of inputs to be used in valuation techniques. However, there was no material financial impact at the Company and the Investment company level in 2020.

- Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk is managed on a daily basis by the Company Manager in accordance with policies and procedures in place. The Company's direct exposure to interest rate risk is on cash balances. Interest rate risk on cash is not considered to be significant for the Company therefore no sensitivity analysis has been prepared.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 11 – RISK MANAGEMENT (CONTINUED)

- Price risk

Price risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As the majority of the Company's financial instruments are carried at fair value through profit and loss, all changes in market conditions will directly affect net income. The Company Manager is responsible for continuously monitoring the Company's exposure to price risk through its investments in MPC CCEF. If the market prices increase or decrease by 10% with all other variables held constant, the value of investment would increase or decrease by USD 1,922,672 as a result of gains or losses on the investment designated as FVTPL.

Currency risk

The Company only invests in financial instruments that are denominated in United States Dollar, its functional currency, but enters into service agreements denominated in currencies other than United States Dollar. Consequently, the Company is exposed to limited risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fees from service agreements in other currencies. At the reporting date, the carrying amount of the Company's net financial assets and financial liabilities held in individual foreign currencies is insignificant. Consequently, no sensitivity analysis has been prepared.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company. As at December 31, 2020, some of the Company's financial assets potentially expose it to credit risk. The extent of the Company's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Company's statement of financial position.

The Company's cash balances are primarily with CIBC FirstCaribbean International Bank (Bahamas) Ltd., an unrated bank. The Company does not expect any losses as a result of this concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it has sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation.

All of the Company's financial liabilities fall due within one year.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the financial statements

For the financial year ended December 31, 2020
 (Expressed in United States dollars)

Note 12 – SUBSEQUENT EVENTS

On November 6, 2020, MPC Caribbean Clean Energy Limited issued a convertible promissory note to RBC Trust (Trinidad & Tobago) Limited in the amount of USD 10,000,000. After a satisfactory KYC process, MPC Caribbean Clean Energy Limited will make a third investment into MPC Caribbean Clean Energy Fund LLC (the Investment Company) which will expect to happen in the second quarter of 2021.

Tila Wind Corporation S. A. (Tilawind), the project company owning the 21 MW Tilawind wind farm in Costa Rica, was informed by Instituto Costarricense de Electricidad (Grupo ICE), the Costa Rican government-run electricity and telecommunications services provider, that the tariff for 2021 calendar year will be reduced effective as of 10 February 2021.

The rates used by Tilawind decreased from USD 0.1181 to USD 0.10878 and from USD 0.0473 to USD 0.4356, during the high and low season respectively, in the year 2021.

MPC Caribbean Clean Energy Fund LLC (The Investment Company) is in the process of assessing the commercial impact on revenues and overall asset value. In addition, the Fund is consulting with its legal advisor and the Costa Rican Renewable Energy Association (ACOPE), given that the resolution issued to reduce the bands that regulate the tariffs is affecting all wind farms in the country and it might be an alternative to present a collective action. Consequently, there is a potential of legal action that can be taken against the resolution issued by the utilities regulator, Autoridad Reguladora de Servicios Públicos, in Costa Rica. Once the final decision is confirmed and if the tariff reduction remains in 2021, the Investment Company will engage an independent valuation company to derive the fair value of the underlying asset later in 2021.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Director/Officer Shareholding / Top 10 Shareholders

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

	Name	Joint Holder/ Connected Interest	Volume	Percentage
1	TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY LIMITED	-	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 LIMITED	-	1,000,000	4.62%
6	MF&G ASSET MANAGEMENT LTD. - JAMAICA INVESTMENTS FUND TRUSTEE, JA. INVESTMENT (INCOME & GROWTH) FUND	-	822,000	3.79%
7	MPC CARIBBEAN CLEAN ENERGY FEEDER LIMITED	-	691,821	3.19%
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 December 31st, 2020

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