MPC CARIBBEAN CLEAN ENERGY LIMITED

Unaudited Financial Statements for the
Year ended December 31, 2022
and Compilation Report

MPC CARIBBEAN CLEAN ENERGY LIMITED

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MPC CARIBBEAN CLEAN ENERGY

Chairman's Report to the Shareholders

Fourth Quarter Ended December 31st, 2022

To the Shareholders of MPC Caribbean Clean Energy Limited,

On behalf of the board of directors, I am pleased to present the unaudited financial statements of MPC Caribbean Clean Energy Limited (**Company or MPCCEL**) for the period ended December 31st, 2022.

Summary of the quarter

The trend recorded in the last quarter of the year was positive. The still noticeable La Niña phenomenon continues to impact energy production across the region and assets. On a positive note, none of the assets were affected by the weather conditions during the hurricane season, however, the expected restriction in energy production due to rain and cloudy weather has been recorded. After three consecutive years of La Niña, which is a very rare event, experts assume that the effect shall phase out by mid-2023.

In the wind farm Tilawind, the scheduled repairs were carried out as planned. An agreement was reached with the lender in December for the purpose of refinancing the bank loan. The new terms include an improvement in the interest rate and an optimization of the repayment schedule, ultimately allowing for more available cash flow for shareholders. The refinancing will take effect upon signing of the contract, which is expected in January 2023. Furthermore, the tariffs were adjusted by ICE (Instituto Costarricense de Electricidad) in favor of the investee company and as a result, the average tariff price increased by 5.73% effective as of the 8th of October 2022.

In the solar PV plant San Isidro in El Salvador, the replacement of the inverters has started as planned and will be completed in Q1 2023. The resulting EBITDA for the full year 2022 closed 16.51% above budget.
For the Monte Plata 2 expansion project, the early works in preparation for the construction work were successfully completed.
The technical performance of the solar PV park Paradise Park in Jamaica is positively affected after the completion of the repair work on the MV transformer. This has led to a higher than budgeted production in Q4 2022.

Moreover, the Company appointed a new director, Ms. Lisl Lewis effective as of 25th October 2022.
The Chairman of the Company would like to welcome Ms. Lewis, who with her experience will make an important contribution to the further development of the Company.

Portfolio Highlights

KPI	Q4 2022	Q4 2021	Full Year 2022	Full Year 2021
EBITDA	USD 1,067,815	USD 597,984	USD 5,691,845	USD 4,427,801
Energy Output Variation[1]	-5.86%	0.21%	-11.65%	-3.84%
Weighted Average Availability[2]	99.11 %	99.38%	99.15%	97.19%

The table above shows all figures on a pro-rated basis reflecting the economic interest of the Company in the underlying asset portfolio. The asset performance for Q4 2022 was as follows:

Paradise Park | Solar Park | Jamaica

Revenues were 5.38% (YTD: -3.85%) above the business plan for the past quarter. Higher irradiation in combination with high availability of the plant due to the executed repair measures, led to positive quarterly result. Operating expenditure (OPEX) was above the budget by 9.45% (YTD: +7.34%). However, higher revenues have offset higher OPEX and as a result, EBITDA was 6.14% above the budget (YTD: -6.10%).

Tilawind | Wind Farm | Costa Rica

Power generation in Q4 was 15.28% below the budget (YTD: -18.58%), further driven by the combination of poor wind conditions in the region and partial unavailability of full plant capacity due to repair process of the blades The repairs were completed during October and further repairs of remaining three blades and identified cracks will be completed in the second half of 2023 which is the period of low wind season.
This is inevitably reflected in the revenues, which is 10.33% lower than the budget (YTD: -13.07%). OPEX was 10.00% below budget (YTD: -11.34%). Due to the trend in technical performance that was recognized in the first half of 2022 and the associated revenue expectations, all expenses were reviewed and reduced to an acceptable minimum level. Despite the implemented savings, EBITDA was 11.00% below the budget (YTD: -13.56%).

San Isidro | Solar Park | El Salvador

The technical performance of El Salvadoran asset was 0.58% below the budget (YTD: -5.71%). Achieved revenue was higher by 4.63% (YTD: -4.26%) due to a higher tariff than initially budgeted. The replacement of the inverters and the favorable weather conditions with high irradiation was a key reason for the positive trend in the power generation.
Due to an agreement between the SPV and O&M contractor mentioned last quarter, significant expenses were reduced which resulted in OPEX being 52.24% below forecast (YTD: -41.55%). The resulting EBITDA was 37.88% above the budget (YTD: 16.51%).

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

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

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

Monte Plata I | Solar Park | Dominican Republic

The underperformance is reflected in the results for Q4, with lower revenues of 9.26% (YTD: -12.63%) resulting from 9.59% lower power generation compared to the budget (YTD: -12.63%). OPEX was significantly affected by additional unplanned expenses to identify the cause of the underperformance by 105.27% above budget (YTD: +40.34%).
The resulting EBITDA was mainly affected by the increased OPEX and is 35.93% below the budget (YTD: -25.15%).

Outlook

With regard to the expansion (Monte Plata II) of our operating solar PV project in the Dominican Republic, Financial close is expected in Q1 2023 or early Q2.
An extension of early works in preparation for substantial civil works has been signed with the date of commercial operation of the expanded capacity constituting Monte Plata II remaining planned for Q1 2024.

Jose Fernando Zuñiga G

Fernando Zúñiga
Chairman of the Board of Directors

MPC CARIBBEAN CLEAN ENERGY LIMITED
TOP 10 SHAREHOLDINGS
As at December 31st, 2022

	Name	Joint Holder/ Connected interest	Volume	Percentage
1	TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY	-	5,448,301	25.15%
2	SAGICOR POOLED EQUITY FUND	-	4,192,300	19.35%
3	SAGICOR BALANCED FUND	-	2,307,690	10.65%
4	JN FUND MANAGERS LIMITED FOR JN POOLED PENSION LOCAL EQUITY FUND	-	1,494,428	6.90%
5	DEVELOPMENT BANK OF JAMAICA	-	1,000,000	4.61%
6	MF&G TRUST & FINANCE LTD - A/C 57	-	822,000	3.79%
7	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	1.77%
10	JAMAICA MONEY MARKET BROKERS LTD FM10	-	321,000	1.48%

MPC CARIBBEAN CLEAN ENERGY LIMITED
DIRECTOR SHAREHOLDINGS
As at December 31st, 2022

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

COMPILATION REPORT

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

We have compiled the accompanying statements of MPC Caribbean Clean Energy Limited based on information you have provided. These financial statements comprise the statement of financial position of MPC Caribbean Clean Energy Limited as at December 31, 2022, the statement of comprehensive loss, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

We have applied our expertise in accounting and financial reporting to assist you in preparation and presentation of these financial statements in accordance with International Financial Reporting Standards ("IFRS"). We have compiled with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care.

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

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

TRIDENT CORPORATE SERVICES (BARBADOS) LIMITED

February 23, 2023

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Financial Position

As at December 31, 2022

(Expressed in United States dollars)

	NOTES	Unaudited Year ended 31-Dec-22	Audited Year ended 31-Dec-21
ASSETS			
Investment - MPC Caribbean Clean Energy Fund LLC		31,462,414	30,573,972
Cash and cash equivalents		164,442	316,174
Prepayments		12,417	8,602
TOTAL ASSETS		31,639,273	30,898,748
LIABILITIES AND EQUITY			
Accruals		27,000	19,500
Accounts payable		77,825	45,591
Due to related party	**5**	21,654	21,654
Convertible promissory note payable	**6**	10,000,000	10,000,000
Liabilities (excluding Net Assets Attributable to Shareholders)		10,126,479	10,086,745
Net Assets Attributable to Shareholders		**21,512,794**	**20,812,003**
Equity			
Share capital		20,005,779	20,005,779
Retained Earnings/ (Accumulated Deficit)		1,507,015	806,224
		21,512,794	**20,812,003**
Total Liabilities and Equity			

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

Approved by the Board of Directors on 23rd day February, 2023.

By: Guardian Nominees (Barbados) Limited
Director
Per:
Gayle Hutchinson/Shelly-Anne Yarde
Title: Director

Jose Fernando Zuniga G

By: Jose Fernando Zuniga Gallindo

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Comprehensive Loss

For the year ended December 31, 2022

(Expressed in United States dollars)

	NOTES	Unaudited Three months ended 31-Dec-22	Audited Three months ended 31-Dec-21	Unaudited Year ended 31-Dec-22	Audited Year ended 31-Dec-21
Investment Income					
Unrealized gain on investment in MPC Caribbean Clean Energy Fund LLC		888,442	1,347,254	888,442	1,347,254
		888,442	1,347,254	888,442	1,347,254
Expenses					
Accountancy fees		2,000	2,000	8,600	8,600
Administrative compensation		-	1,344	12,030	37,709
Administrative fees		20,605	15,433	61,776	62,550
Advertising costs		12,793	2,050	34,921	14,310
Audit fee		17,500	17,500	18,375	23,375
Bank charges		1,022	756	3,873	2,816
Corporate fees		375	375	1,500	1,500
Directors' fees		5,208	4,625	19,083	18,500
Insurance expense		5,294	5,043	20,819	17,493
Legal & professional fees		-	-	6,174	17,972
Licence fees		125	125	500	500
		64,922	49,251	187,651	205,325
Comprehensive Income before Taxation		823,520	1,298,003	700,791	1,141,929
Taxation		-	-	-	-
Net Comprehensive Income		**823,520**	**1,298,003**	**700,791**	**1,141,929**
Basic earnings income per share	**4**	**0.04**	**0.06**	**0.03**	**0.05**
Weighted average number of shares		21,666,542	21,666,542	21,666,542	21,666,542

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

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Changes in Equity
For the year ended December 31, 2022
(Expressed in United States dollars)

	Number of shares	Class A share capital	Class B share capital	Accumulated deficit	Total
Balance at January 1, 2021	21,666,542	1	20,005,778	(335,705)	19,670,074
Comprehensive income for the year ended				1,141,929	1,141,929
Balance as at December 31, 2021	**21,666,542**	**1**	**20,005,778**	**806,224**	**20,812,003**
Balance at January 1, 2022	21,666,542	1	20,005,778	806,224	20,812,003
Comprehensive income for the year ended	-	-	-	700,791	700,791
Balance as at December 31, 2022	21,666,542	1	20,005,778	1,507,015	21,512,794

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

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Cash Flows

For the year ended December 31, 2022

(Expressed in United States dollars)

	Unaudited Year ended 31-Dec-22	Audited Year ended 31-Dec-21
Cash flows from operating activities		
Net comprehensive income for the year	700,791	1,141,929
Investment purchases	-	(10,000,000)
Adjustments for non-cash income and expenses:		
Unrealized gain on investment in MPC Caribbean Clean Energy Fund LLC	(888,442)	(1,347,254)
(Increase) in prepayments	(3,815)	(3,935)
Increase in accounts payable	32,234	41,874
Increase/(decrease) in accruals	7,500	(12,281)
Net cash used in operating activities	(151,732)	(10,179,667)
Net decrease in cash and cash equivalents	(151,732)	(10,179,667)
Cash and cash equivalents at the beginning of the year	316,174	10,495,841
Cash and cash equivalents at the end of the year	**164,442**	**316,174**

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

1. General Information

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

The Company's registered number is:- 42056

The Company's registered office address is:-

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

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

2. Summary of Significant Accounting Policies

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

3. Basis of Preparation

The unaudited interim financial statements have been prepared in accordance with International Accounting Standards 34 - Interim Financial Statements. The interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2022, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

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

4. Income per share

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

	Unaudited 31-Dec-22	Audited 31-Dec-21
Net income attributable to ordinary shareholders	700,791	1,141,929
Weighted average number of shares	21,666,542	21,666,542
Income per share	0.03	0.05

4. Loss per share (Continued)

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

The issuance period closed on January 10, 2020. All applications were satisfied in full and 10,242,382 new Class B shares were issued and allotted to applicants in both the markets of Jamaica and Trinidad and Tobago, increasing the total Class B shares issued to 21,666,542. On July 7, 2020, the corporate and AML requirements were completed and on July 13, 2020, the raised funds of USD 9,292,378.58, net of underwriting costs and administrative expenses, were invested into MPC Caribbean Clean Energy Fund LLC.

5. Related Party Balances and Transactions

The following transactions were carried out with related parties:

Due to related party

The loan from the related party is unsecured, interest free, has no stated terms of repayment and includes: (i) Payments of fees by MPC Renewable Energies GmbH on behalf of the Company during the period ended December 31, 2020 and the related balances payable by the Company to MPC Renewable Energies GmbH as at December 31, 2022, and (ii) Directors fees (per agreements with Directors).

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

	Unaudited 31-Dec-22	Audited 31-Dec-21
At January 1	21,654	21,654
Related party payments of expenses	-	-
Reimbursement payments to related party	-	-
At December 31	21,654	21,654

6. Long-term convertible promissory note payable

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

At maturity, March 31, 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.