

MPC CARIBBEAN CLEAN ENERGY LIMITED

**Unaudited Financial Statements for the
Three months ended March 31, 2019 and
Independent Accountant's Report**

MPC CARIBBEAN CLEAN ENERGY LIMITED

Unaudited financial statements for the three months ended March 31, 2019

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Chairman's Report to the Shareholders
First Quarter Ended March 31, 2019

Dear Shareholders,

On behalf of the board of directors, I am pleased to present the first quarter of this year's Report of MPC Caribbean Clean Energy Limited (**Company**) for the quarter ended March 31st, 2019.

In this quarter, and as stated in the previous year's annual report, the Company was admitted to commence trading on January 14th, 2019 by both the Trinidad and Tobago Stock Exchange (**TTSE**) and the Jamaica Stock Exchange's (**JSE**) Main Market, and the US Dollar Equity Markets.

On January 25th, 2019, the Company entered into a cost-sharing agreement for Directors and Officers (D&O) insurance with the MPC Caribbean Clean Energy Fund LLC (**CCEF**) which has entered into an insurance umbrella agreement with the insurance company XL Group Insurance, Limited covering CCEF, its managing board member, the general partner of the carried interest member MPC Team Investment LP and the Company.. The Company's cost share of USD 22,818.95 for the policy was determined by the insurance company in relation to the Company's respective risks as a cross-listed company.

BDO Barbados was appointed as auditor of the Company on February 19th, 2019 through a selection process spanning several months. In addition, Dentons was appointed assistant secretary for Jamaica and Trinidad and Tobago and legal adviser for Barbados, Jamaica and Trinidad & Tobago on February 25th, 2019.

As recommended by the Company's auditor BDO Barbados, the deferred underwriting costs of 2018, in the amount of USD 177,864, associated with the listing of the Company on both the TTSE and JSE, have been activated in the first quarter of 2019.

For the next quarter, the company has performed the following:

- It has established the Committees' Charter;
- Established its Corporate Governance Policy which includes its Environment, Social Governance (ESG) process and its Sustainable Development Goals (SDGs);
- A Code of Conduct containing its rules, values and principles which are deemed fundamental to its successful operation has been issued;
- Its Disclosure Policies ensuring that the Company is in compliance with all legal and regulatory requirements in all jurisdictions.

These policies will also ensure that realistic investor expectations are maintained by making all required information disclosures timely and reliably available to the Company's shareholders.

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 black ink, appearing to read "Gerard A. Borely", written over a horizontal line.

Gerard A. Borely
Chairman of the Board of Directors

COMPILATION REPORT

To The Shareholders of
MPC CARIBBEAN CLEAN ENERGY LIMITED
Suite 1, Ground Floor

Bishop's Court Hill
St. Michael
Barbados BB14004

On the basis of information provided by management, we have compiled in accordance with the compilation engagements, the accompanying financial statements of MPC CARIBBEAN CLEAN ENERGY LIMITED as at March 31, 2019.

A compilation is limited to presenting the form of financial statement information that is the representation of management. We have not conducted a review or an audit of these financial statements, and consequently, we do not express an opinion as to whether these financials give a true or fair representation of the financial position of the business, or of the results of its operations for the period then ended.



TRIDENT CORPORATE SERVICES (BARBADOS) LIMITED

Per:

Gayle A. Hutchinson/Amanda G. McKay

Title: Secretary/Assistant Secretary

May 13, 2019

MPC CARIBBEAN CLEAN ENERGY LIMITED
Statement of Financial Position

As at March 31, 2019
(Expressed in United States dollars)

	NOTES	Unaudited as at March 2019	Unaudited as at March 2018	Audited as at December 2018
Current Assets				
Cash and cash equivalents		542,874	189	403
Deferred underwriting costs		-	-	177,864
Prepayments		8,896	1,133	4,667
Total Current Assets		<u>551,770</u>	<u>1,322</u>	<u>182,934</u>
Non-current Assets				
Investment- MPC Caribbean Clean Energy Fund LLC	4	10,654,498	-	-
Total Non-current Assets		<u>10,654,498</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS		<u>11,206,268</u>	<u>1,322</u>	<u>182,934</u>
LIABILITIES AND SHAREHOLDER'S EQUITY				
Current Liabilities				
Accruals		15,114	2,075	159,715
Accounts payable		21,153	50	131,020
Due to related party	5	228,762	15,849	149,280
Total Current Liabilities		<u>265,029</u>	<u>17,974</u>	<u>440,015</u>
Total Liabilities		<u>265,029</u>	<u>17,974</u>	<u>440,015</u>
Equity				
Share capital	6	11,261,295	1	1
Accumulated deficit		(320,056)	(16,653)	(257,082)
Total Equity		<u>10,941,239</u>	<u>(16,652)</u>	<u>(257,081)</u>
TOTAL LIABILITIES AND EQUITY		<u>11,206,268</u>	<u>1,322</u>	<u>182,934</u>

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

Approved by the Board of Directors on 13th day May 2019.

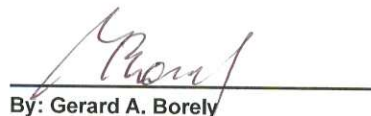
 

By: Guardian Nominees (Barbados) Limited
Director

Per:

W. A. Smit / Amanda G. McKay

Title: Directors



By: Gerard A. Borely

MPC CARIBBEAN CLEAN ENERGY LIMITED

Statement of Loss

For the three months ended March 31, 2019

(Expressed in United States dollars)

	NOTES	Unaudited Three months ended March 2019	Unaudited Three months ended March 2018	Audited Year ended December 2018
Income				
Share of profits in joint venture	7	4,498	-	-
Total income		<u>4,498</u>	<u>-</u>	<u>-</u>
Expenses				
Accountancy fees		4,013	625	7,705
Administrative fees		26,017	5,069	14,419
Audit fee		-	-	15,000
Bank charges		1,391	274	1,075
Bank interest			1	1
Directors' fees		875	5,000	6,533
Legal & professional fees		34,676	-	205,282
Licence fees		125	125	500
Corporate fees		375	325	1,333
Total expenses		<u>67,472</u>	<u>11,419</u>	<u>251,848</u>
Total Loss for the period		<u>(62,974)</u>	<u>(11,419)</u>	<u>(251,848)</u>
		Cents	Cents	Cents
Losses per share				
Basic losses per share	8	(0.55)	-	-

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

MPC CARIBBEAN CLEAN ENERGY LIMITED
Statement of Changes in Equity

For the three months ended March 31, 2019
(Expressed in United States dollars)

	<u>Class A</u> <u>share capital</u>	<u>Class B</u> <u>share capital</u>	<u>Accumulated</u> <u>deficit</u>	<u>Total equity</u>
Balance at 1 January 2019	1	-	(257,082)	(257,081)
Issuance of redeemable shares	-	11,261,294	-	11,261,294
Loss for the period	-	-	(62,974)	(62,974)
Balance as at 31 March 2019	<u>1</u>	<u>11,261,294</u>	<u>(320,056)</u>	<u>10,941,239</u>
Balance at 1 January 2018	1	-	(5,234)	(5,233)
Loss for the period	-	-	(11,419)	(11,419)
Balance as at 31 March 2018	<u>1</u>	<u>-</u>	<u>(16,653)</u>	<u>(16,652)</u>
Balance at 1 January 2018	1	-	(5,234)	(5,233)
Loss for the period	-	-	(251,848)	(251,848)
Balance as at 31 December 2018	<u>1</u>	<u>-</u>	<u>(257,082)</u>	<u>(257,081)</u>

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

MPC CARIBBEAN CLEAN ENERGY LIMITED**Statement of Cash Flows**

For the three months ended March 31, 2019
(Expressed in United States dollars)

	Unaudited as at March 2019	Unaudited as at March 2018	Audited as at December 2018
Cash flows from operating activities			
Loss before tax	(62,974)	(11,419)	(251,848)
Changes in operating assets and liabilities			
(Increase)/decrease in prepayments	(4,229)	450	(3,084)
Decrease/(Increase) in deferred underwriting cost	177,864	-	(177,864)
(Decrease)/Increase in accounts payable	(109,867)	(255)	130,715
(Decrease)/Increase in accruals	(144,601)	(462)	157,178
Increase/(decrease) in due to related parties	79,482	11,875	145,306
Net cash from operating activities	<u>(64,325)</u>	<u>189</u>	<u>403</u>
Cash flows from investing activities			
Acquisition of investment	(10,654,498)	-	-
Net cash from investing activities	<u>(10,654,498)</u>	<u>-</u>	<u>-</u>
Cash flows from financing activities			
Proceeds from subscription of share capital	11,261,294	-	-
Net cash flow from financing activities	<u>11,261,294</u>	<u>-</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	<u>542,471</u>	<u>189</u>	<u>403</u>
Cash at the beginning of the period	403	-	-
Cash at the end of the period	<u>542,874</u>	<u>189</u>	<u>403</u>

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

MPC CARIBBEAN CLEAN ENERGY LIMITED

Notes to the Financial Statements

For the three months ended March 31, 2019

(Expressed in United States dollars)

1. General Information

MPC Caribbean Clean Energy Limited (the "Company") was incorporated on November 8, 2017, under the laws of Barbados and operates as an International Business Company as defined by the International Business Companies Act 1991 - 24. The Company was formerly known as CCEF (Barbados) Feeder Limited having changed its name on August 31, 2018. 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

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

2.1 Basis of Preparation

These financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). The financial statements are expressed in USD (United States Dollars) which is the functional currency of the Company.

2.2 Use of accounting estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates are based on historical experience and management's best knowledge of current events and actions and are reviewed on an ongoing basis. Actual results could differ from those estimates.

2.3 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.

MPC CARIBBEAN CLEAN ENERGY LIMITED

Notes to the Financial Statements

For the three months ended March 31, 2019

(Expressed in United States dollars)

Summary of Significant Accounting Policies (Continued)

2.3 Foreign currency translation (continued)

(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 recognised in profit or loss.

Foreign exchange gains and losses that relate to cash and cash equivalents are presented in profit or loss within 'Foreign exchange loss'. All other foreign exchange gains or losses are presented in profit or loss within 'other (losses)/gains- net'.

2.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short term highly liquid investments with original maturities of three months or less.

2.5 Trade payables

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

2.6 Investments in joint ventures

Joint venture investments are recognized in accordance with 'IAS 28 Investments in Associates and Joint Ventures' using the equity method of accounting. Under the equity method of accounting the investment is initially recognised at cost, and subsequently adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Equity method investments are assessed for impairment in accordance with 'IAS 36- Impairment of Assets' and when identified are charged against the carrying value of the investment in the joint venture.

2.7 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the Financial Statements

For the three months ended March 31, 2019
(Expressed in United States dollars)

Summary of Significant Accounting Policies (Continued)

2.8 Revenue recognition

Revenue is recognised when earned and is measured at the fair value of the consideration received or receivable, net of returns and rebates.

2.9 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.

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 Expense recognition

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

2.12 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.

2.13 Adoption of New and Revised Standards and Interpretations

In the current year, the Company has adopted the following standards, amendments and interpretations which became effective during the year:

IFRS 16 (Issued 2016)	Leases (effective January 1, 2019)
IAS 28 (Amended 2017)	Investment in Associates (effective January 1, 2019)
IFRIC 23 (Issued 2017)	Uncertainty over Income Tax Treatments (effective January 1, 2019)

The adoption of the above standards, amendments and interpretations has no material effect on how the results and financial position for the current or prior accounting periods have been prepared or presented.

The Company has not early adopted the following new and revised standards, amendments and interpretations that have been issued but are not yet effective:

IFRS 10 (Amended 2014)	Consolidated Financial Statements (effective date to be determined by the IASB)
IFRS 17 (Issued 2017)	Insurance Contracts (effective January 1, 2021)
IFRIC 23 (Issued 2017)	Uncertainty over Income Tax Treatments (effective January 1, 2019)

The Company anticipates that the application of the above new and revised standards, amendments and interpretations will have no material impact on its results and financial position.

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the Financial Statements

For the three months ended March 31, 2019
(Expressed in United States dollars)

3. Cash and cash equivalents

	Unaudited as at March 2019	Unaudited as at March 2018
Cash	542,874	189

4. Investment in joint venture

As at the balance sheet date the Company held ten million, six hundred fifty thousand (10,650,000) shares in MPC Caribbean Clean Energy Fund LLC ('MPCCCEF'). The MPCCCEF investment was acquired through subscription into the Fund, and the Company became a registered member of the Fund on March 27th 2019. The Company's investment in MPCCCEF has been recognised as a joint venture and is accounted for under the equity accounting method in accordance with 'IAS 28 Investments in Associates and Joint Ventures'.

The carrying value of the investment is as follows:

	Unaudited as at March 2019	Unaudited as at March 2018
At 1 January	-	-
Acquisition cost 'MPCCCEF' investment	10,650,000	-
Share of 'MPCCCEF' profits for the three months ended	4,498	-
At 31 March	<u>10,654,498</u>	<u>-</u>

5. Related party transactions

The following transactions were carried out with related parties:

(a) Due to related party

The amount due to related party is unsecured, interest free and has no stated terms of repayment and includes: (i) Payments of fees by MPC Renewable Energies GmbH on behalf of the Company during January 1st to March 31st 2019 and the related balances payable by the Company to MPC Renewable Energies GmbH as at March 31, 2019, and (ii) Directors fees (per agreements with Directors).

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

	Unaudited as at March 2019	Unaudited as at March 2018
At 1 January	149,280	3,974
Related party payments of expenses for January 1 to March 31	79,482	11,875
At 31 March	<u>228,762</u>	<u>15,849</u>

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the Financial Statements

For the three months ended March 31, 2019
(Expressed in United States dollars)

Related party transactions (Continued)

(b) Key management compensation

Total remuneration to the Board of Directors and other members of key management (including salaries and benefits) for the three months ended March 2019 was \$875 (March 2018: \$5,000).

6. 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 (One) 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. At the balance sheet date, 1(One) Class A share was subscribed and fully paid up. The ultimate owner of the Class A share is MPC Muenchmeyer Petersen Capital AG, a publicly listed German company (ISIN: DE000A1TNWJ4). On January 14th, 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 balance sheet date 5,390,420 (five million, three hundred ninety thousand, four hundred twenty) redeemable Class B shares on the Trinidad and Tobago Stock Exchange (TTSE) were subscribed and fully paid up at a price of US\$1 per share, and 6,033,740 (six million, thirty-three thousand, seven hundred forty) redeemable Class B shares on the Jamaica Stock Exchange's (JSE) Main Market were subscribed and fully paid up at a price of US\$1 per share .

7. Share of profits in joint venture

'Share of profits in joint venture' is the Company's share of the unaudited post acquisition net profits in its joint venture investment 'MPCCCEF'.

	Unaudited	
	Three months ended	
	March 2019	March 2018
Share of profits in joint venture	4,498	-

MPC CARIBBEAN CLEAN ENERGY LIMITED
Notes to the Financial Statements

For the three months ended March 31, 2019
(Expressed in United States dollars)

8. Losses per share

	Unaudited Three months ended	
	March 2019	March 2018
	Cents	Cents
(a) Basic losses per share		
Losses per share for losses attributable to the Class B equity holders of the Company	(0.55)	-

(b) Reconciliations of losses used in calculating earnings per share

	Unaudited Three months ended	
	March 2019	March 2018
<i>Basic losses per share</i>		
Losses attributable to the Class B equity holders of the Company	(62,974)	-

(c) Weighted average number of shares used as the denominator

	Unaudited Three months ended	
	March 2019	March 2018
Weighted average number of shares used as the denominator	11,424,160	-

9. Events after the end of the reporting period

With effect from January 1, 2019, the International Business Companies Act 1991-24 was repealed. The Company was eligible to be grandfathered until June 30, 2021 and continues to benefit from exemptions under the International Business Companies (Repeal) Act 2018-40 and will continue to pay corporation tax at a rate not exceeding 2.5%.

MPC CARIBBEAN CLEAN ENERGY LIMITED DIRECTOR SHAREHOLDINGS' As at March 31, 2019			
NAME	JOINT HOLDER/ CONNECTED INTERESTS	VOLUME	PERCENTAGE
Gerard A. Borely		-	-
Alastair Dent		-	-
Steven D. Marston		-	-
A. Mark D. Hart		-	-
Guardian Nominees (Barbados) Limited		-	-

MPC CARIBBEAN CLEAN ENERGY LIMITED TOP 10 SHAREHOLDINGS As at March 31, 2019			
NAME	JOINT HOLDER/ CONNECTED INTERESTS	VOLUME	PERCENTAGE
TEACHERS CREDIT UNION CO-OPERATIVE SOCIETY		3,000,000	18.3%
SAGICOR POOLED FIXED INCOME		2,692,300	16.4%
CARIBBEAN CLEAN ENERGY FEEDER LIMITED		2,100,000	12.8%
DEVELOPMENT BANK OF JAMAICA		1,000,000	6.1%
SAGICOR BALANCED FUND		769,230	4.7%
JNBS PENSION TRUSTEES		623,000	3.8%
SAGICOR EQUITY FUND		384,610	2.3%
JN GENERAL INSURANCE COMPANY		100,000	0.6%
FINANCIAL ADVISORY SERVICES		100,000	0.6%
JN INDIVIDUAL RETIREMENT		76,000	0.5%