

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(formerly CCEF (BARBADOS) FEEDER LIMITED)**

**FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018**

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

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## **Chairman's Report to the Shareholders**

**For the Year Ended December 31, 2018**

On behalf of the Board of Directors, I am pleased to present the audited financial statements of MPC CARIBBEAN CLEAN ENERGY LIMITED (**Company**) for the year ended December 31, 2018.

The Company was incorporated as a special purpose vehicle to facilitate investment into MPC Caribbean Clean Energy Fund LLC (**Investment Company**). During the fourth quarter of 2018, the Company focused on capital raising activities resulting in the initial public offering (**IPO**). The IPO opened on December 3, 2018 and closed on December 21, 2018 and raised USD 11,424,160.00 from 241 new shareholders combined, from both Jamaica and Trinidad and Tobago investors. The capital raised will be invested by the Company into the Investment Company to facilitate an investment in renewable energy projects in Jamaica, Trinidad and Tobago and the wider Caribbean region.

The Company had no other material activities during the period and did not enter into any material agreements. The Company had no turnover or revenues during the relevant period.

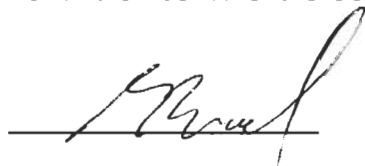
### *Outlook*

The Company met the requirements of listing for both Jamaica (**JSE**) and Trinidad and Tobago (**TTSE**) stock exchanges and as a result it was approved for listing and was admitted to begin trading on January 14, 2019, on JSE Main Market, and the US Dollar equity markets of the JSE and the TTSE. The Investment Company, is currently undertaking its process to accept the Company as an investor member. We are confident that this process can be successfully completed in the first quarter of 2019. Upon acceptance, the Company will invest the net proceeds of the IPO into the Investment Company.

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



Gerard A. Borely

Chairman of the Board of Directors

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder  
MPC Caribbean Clean Energy Limited

### **Opinion**

We have audited the financial statements of MPC Caribbean Clean Energy Limited (formerly CCEF (Barbados) Feeder Limited) (the "Company"), which comprise the statement of financial position as of December 31, 2018, and the statement of comprehensive income, statement of changes in shareholder's equity 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, 2018, 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.

### **Listing on Jamaica and Trinidad and Tobago Stock Exchanges**

The Company was approved as a Reporting Issuer on the Trinidad and Tobago Stock Exchange on November 8, 2018 and to list Class B shares on the Jamaica Stock Exchange on January 4, 2019. IFRS requires that underwriting costs incurred in connection with these listings be deducted from equity rather than expensed through the statement of comprehensive income. We examined the Company's legal and professional fees during the year and determined that the Company had not appropriately classified these costs. We therefore proposed an adjustment, which was agreed by the Company, in the amount of US\$177,864 to defer underwriting costs until the date the related equity transaction is recorded.

### **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.





## INDEPENDENT AUDITOR'S REPORT (Continued)

To the Shareholder  
MPC Caribbean Clean Energy Limited

### ***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 statements 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transaction 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.



## INDEPENDENT AUDITOR'S REPORT (Continued)

To the Shareholder  
MPC Caribbean Clean Energy Limited

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 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 shareholder in accordance with the terms of our engagement letter dated January 10, 2019 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  
27 March, 2019

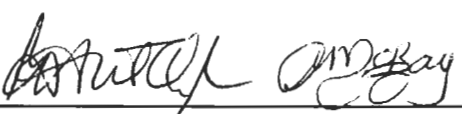
**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(formerly CCEF (BARBADOS) FEEDER LIMITED)**  
**Statement of Financial Position**

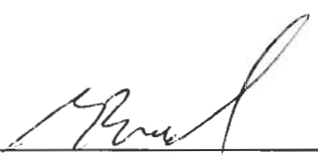
As at December 31, 2018

	<u>NOTES</u>	<u>2018</u> USD	<u>2017</u> USD
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash at Bank	4	403	-
Deferred Underwriting Costs		177,864	-
Prepayments		4,667	1,583
<b>Total Current Assets</b>		<u>182,934</u>	<u>1,583</u>
<b>TOTAL ASSETS</b>		<u><u>182,934</u></u>	<u><u>1,583</u></u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accruals		159,715	2,537
Accounts Payable		131,020	305
Due to Related Party	5	149,280	3,974
<b>Total Current Liabilities</b>		<u>440,015</u>	<u>6,816</u>
<b>TOTAL LIABILITIES</b>		<u><u>440,015</u></u>	<u><u>6,816</u></u>
<b>SHAREHOLDER'S EQUITY</b>			
Share Capital	6	1	1
Accumulated Deficit		(257,082)	(5,234)
<b>TOTAL EQUITY</b>		<u>(257,081)</u>	<u>(5,233)</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><u>182,934</u></u>	<u><u>1,583</u></u>

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

Approved and authorised for issue by the Board of Directors on 27th day of March 2019

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

  
 By: Gerard A. Borely  
 Title: Director

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(formerly CCEF (BARBADOS) FEEDER LIMITED)**  
**Statement of Comprehensive Income**

**For the year ended December 31, 2018**

	Year ended December 31,	Period from November 8, 2017 (date of incorporation) to December 31,
<u>NOTES</u>	<u>2018</u>	<u>2017</u>
	USD	USD
<b>Expenses</b>		
Accountancy Fees	7,705	1,450
Administrative Fees	14,419	455
Audit Fee	15,000	-
Bank Charges	1,075	-
Bank Interest	1	-
Directors' Fees	6,533	1,087
Incorporation Fees	-	1,400
Legal & Professional Fees	205,282	-
Licence Fees	500	625
Corporate Fees	1,333	217
<b>Total Expenses</b>	<u>251,848</u>	<u>5,234</u>
<b>Net Comprehensive Loss</b>	<u>(251,848)</u>	<u>(5,234)</u>

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



**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**Statement of Changes in Shareholder's Equity**

**For the year ended December 31, 2018**

	<u>Share Capital USD</u>	<u>Accumulated Deficit USD</u>	<u>Total USD</u>
<b>Balance as at November 8, 2017</b>	-	-	-
Comprehensive Loss for the period	-	(5,234)	(5,234)
Share Capital subscribed	1	-	1
<b>Balance as at December 31, 2017</b>	<u>1</u>	<u>(5,234)</u>	<u>(5,233)</u>
Comprehensive Loss for the year	-	(251,848)	(251,848)
<b>Balance as at December 31, 2018</b>	<u><u>1</u></u>	<u><u>(257,082)</u></u>	<u><u>(257,081)</u></u>

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

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(formerly CCEF (BARBADOS) FEEDER LIMITED)**  
**Statement of Cash Flows**

**For the year ended December 31, 2018**

	Year ended December 31,	Period from November 8, 2017 (date of incorporation) to December 31,
	2018	2017
	USD	USD
<b>Loss before tax</b>	(251,848)	(5,234)
<b>Operating Activities</b>		
Increase in Prepayments	(3,084)	(1,583)
Increase in Deferred Underwriting Costs	(177,864)	-
Increase in Accruals	157,178	2,537
Increase in Accounts Payable	130,715	305
<b>Net cash flow used in operating activities</b>	(144,903)	(3,975)
<b>Financing Activities</b>		
Increase in Due to Related party	145,306	3,974
Increase in Share Capital	-	1
<b>Net cash flow from financing activities</b>	145,306	3,975
<b>Net Increase in Cash and Cash Equivalents</b>	403	-
<b>Cash at the beginning of the year/period</b>	-	-
<b>Cash at the end of the year/period</b>	403	-

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

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018**

**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. 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

**Note 2 – PRINCIPAL OF ACCOUNTING POLICIES**

**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 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 shareholder and / or outside financing to meet its commitments.

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. 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.

**Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments with a maturity of ninety days or less when purchased.

**Expense recognition**

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

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018**

**Notes**  
**cont'd**

**Underwriting costs**

Costs incurred in connection with stock exchange listings may include registration and other regulatory fees, amounts paid to 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. At December 31, 2018 deferred underwriting costs amounting to USD 177,864 were recorded in the Company's Statement of Financial Position and are expected to be deducted from equity following receipt of subscription funds upon the initial public offering (Note 9).

**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 2 (Amended 2016) Share-based Payment (effective January 1, 2018)  
IFRS 9 (Issued 2014) Financial Instruments (effective January 1, 2018)  
IFRS 15 (Issued 2014) Revenues from Contracts with Customers (effective January 1, 2018)  
IAS 40 (Amended 2016) Investment Property (effective January 1, 2018)

The adoption of the above standards, amendments and interpretations has had 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 IASB)  
IFRS 16 (Issued 2016) Leases (effective January 1, 2019)  
IFRS 17 (Issued 2017) Insurance Contracts (effective January 1, 2021)  
IAS 28 (Amended 2017) Investments in Associates (effective January 1, 2019)  
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.

**Note 3 – COMPARATIVE FIGURES**

The comparative figures for 2017 cover the period from November 8, 2017 (date of incorporation) to December 31, 2017.

**Note 4 – CASH AT BANK**

The Company opened a bank account in January 2018 with First Caribbean International Bank in The Bahamas.

**Note 5 – DUE TO RELATED PARTY**

The loan from the related party is unsecured, interest free and has no stated terms of repayment includes: (i) Payments of fees made by MPC Renewable Energies GmbH on behalf of the Fund during 2018 and the related balances payable by the Fund to MPC Renewable Energies GmbH as of December 31, 2018 and (ii) Directors fees (per agreements with Directors) and Directors fees waived during 2018.

**MPC CARIBBEAN CLEAN ENERGY LIMITED**  
**(Formerly CCEF (BARBADOS) FEEDER LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2018**

**Notes**  
**cont'd**

**Note 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 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 share is MPC Muenchmeyer Petersen Capital AG, a publicly listed German company (ISIN: DE000A1TNWJ4).

**Note 7 – TRADING ACTIVITIES**

The Company did not engage in any trading activities for the period under review.

**Note 8 – TAXATION**

The Company operates under the International Business Companies Act 1991-24, thereby being subject to corporation tax at a rate not exceeding 2.5 %.

**Note 9 – SUBSEQUENT EVENTS**

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. 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. The investment of funds amounting to approximately USD 10,650,000 raised in the IPO by the Company into MPC Caribbean Clean Energy Fund LLC, which is deemed to be the purpose of the Company, is expected to take place in March, 2019.