MPC ENERGY SOLUTIONS

FINANCIAL REPORT H1 2024

MPC Energy Solutions N.V.

MPC ENERGY SOLUTIONS IS A FULL-CYCLE INDEPENDENT POWER PRODUCER (IPP)

MPC Energy Solutions ("MPCES", "Company", together with its subsidiaries "Group", "we") develops, builds, owns and operates renewable energy assets, including utility-scale solar photovoltaics (PV) and onshore wind farms, energy efficiency solutions and hybrid projects, combining renewable sources and storage technologies.

We generate and deliver clean and affordable energy to public and private commercial and industrial off-takers in developing markets, accelerating and driving the energy transition. To sell the energy we produce in our plants, we usually sign long-term power purchase agreements (PPA) which help us secure predictable cash flows for our projects while simultaneously allowing off-takers to purchase energy at reliable prices that are usually lower than the applicable tariffs from public utilities.

The Company is currently active in several countries across Latin America and the Caribbean.

Contents

FINANCIAL DISCLAIMERS AND DEFINITIONS

Amounts reported in thousands or millions throughout this report are computed based on the underlying numbers in US dollars (USD). As a result, the sum of the components reported in the underlying numbers in USD may not equal the total amount reported in thousands or millions due to rounding. Certain columns and rows within tables may therefore not add up due to the use of rounded numbers. Percentages presented are calculated from the underlying numbers in dollars.

To supplement our audited consolidated financial statements presented on International Financing Reporting Standards (IFRS) basis, we disclose certain non-IFRS financial measures (Alternative Performance Measures, APM), including, without being limited to, proportionate energy output numbers, proportionate revenues, and proportionate earnings before interest, taxes, depreciation and amortization (EBITDA) and earnings before interest, taxes, and amortization (EBITA), including percentages and ratios derived from those measures.

The difference between consolidated values and proportionate values is explained by the following pro-rata considerations:

Project	Share considered to calculate consolidated values	Share considered to calculate proportionate values
Los Santos I, Mexico	100%	100%
Santa Rosa & Villa Sol, El Salvador	100%	100%
Neol CHP, Puerto Rico	100%	95%
Los Girasoles, Colombia	100%	100%
Planeta Rica, Colombia	0%	50%

Both EBITDA and EBITA are commonly used performance indicators in the Company's industry. These APMs are not necessarily in accordance with generally accepted accounting principles stipulated by IFRS and should not be considered in isolation from or as a replacement for the most directly comparable IFRS financial measures. Further, other companies may calculate these APMs differently than we do, which may limit the usefulness of those measures for comparative purposes.

Management uses supplemental APMs to evaluate performance period over period, to analyze the underlying trends in our business, to assess our performance relative to our competitors and to establish operational goals and forecasts that are used in allocating resources. In addition, management uses APMs to further its understanding of the performance of our operating projects and help isolate actual performance from adjustments required by accounting standards.

FORWARD-LOOKING STATEMENTS

Certain information and statements shared in this document, including financial estimates and comments about our plans, expectations, beliefs, or business prospects, and other information and statements that are not historical in nature, may constitute forward-looking statements under the securities laws. We make these statements based on our views and assumptions regarding future events and business performance at the time we make them.

We do not undertake any obligation to update these information and statements in the future. Forward-looking statements are subject to several risks and uncertainties, and actual results may differ materially from the results expressed or implied considering a variety of factors, including factors contained in our financial statements, filings, and other releases.

MPC ENERGY SOLUTIONS N.V.

MPC ENERGY SOLUTIONS IN BRIEF

MPCES was founded on 4 June 2020 as a Dutch public limited liability company incorporated in the Netherlands and governed by Dutch law. The Company is registered with the Dutch company register under the organization number 78205123, and its registered office is at Apollolaan 151, 1077 AR Amsterdam. MPCES has additional offices in Bogotá (Colombia) and Panama City (Panama).

The shares of the Company are listed on the Euronext Growth segment of the Oslo Stock Exchange under stock ticker MPCES (ISIN: NL0015268814).

Solar PV **Wind power** **Hybrid** **Energy Efficiency**

H1 2024 RESULTS - SUMMARY

in million USD unless stated otherwise	H1 2024	H1 2023	H1 2022
Installed capacity (MWp, proportionate, cumulated)	66	53	16
Energy output (GWh, proportionate, as invoiced)	59.1	40.4	14.7
Average revenue per MWh (USD, power-producing assets only)	81	87	101
Revenue (proportionate, project level)	6.1	4.0	1.5
EBITDA* (proportionate, project level)	3.9	1.9	1.1
EBITA* (proportionate, project level)	2.2	0.7	0.6
Revenue (consolidated, group level)	5.5	4.1	1.5
EBITDA* (consolidated, group level)	1.7	(0.9)	(1.1)
EBITA* (consolidated, group level)	0.2	(2.1)	(1.6)
Net income excl. FX effects (consolidated, group level)	(0.1)	(4.1)	(1.8)
Net income incl. FX effects (consolidated, group level)	(4.6)	(2.6)	(1.8)
Earnings per share excl. FX effects (EPS, basic and diluted, in USD)	(0.01)	(0.19)	(0.08)
Earnings per share incl. FX effects (EPS, basic and diluted, in USD)	(0.21)	(0.11)	(0.08)
Total assets (consolidated, group level)	131.1	130.4	122.5
Equity (consolidated, group level)	65.3	76.2	80.3
Equity ratio (consolidated, group level)	50%	58%	66%
Cash and cash equivalents (consolidated, group level)	23.3	15.4	30.7
Debt (consolidated, group level)	53.0	43.5	38.2
Free cash (corporate, excluding cash held in projects)	4.2	9.6	19.0
Cash flow from operations	(2.2)	(0.5)	(5.5)
Cash flow from investing activities	(3.9)	(8.9)	(31.9)
Cash flow from financing activities	9.1	0.6	11.2
FX differences	(0.1)	0.0	(0.1)
Total cash flow for the period	**2.8**	**(8.8)**	**(26.2)**

Note: Rounding differences may occur.
* For the definition of EBITDA and EBITA, please refer to our financial disclaimers and definitions made at the beginning of the report.
** Please refer to the report of the Management Board for details.

Consolidated EBITDA reconciliation, in million USD	H1 2024	H1 2023	H1 2022
Profit / (loss) before income tax (EBT)	(5.5)	(2.6)	(1.8)
Share of result in joint ventures	(0.5)	0.5	(0.3)
Financial income and expenses (incl. FX effects)	5.5	(0.6)	0.5
Amortization and impairment charges	0.7	0.6	-
Other income and expenses (non-operating)	0.0	0.0	-
EBITA*	**0.2**	**(2.1)**	**(1.6)**
Depreciation	1.5	1.2	0.4
EBITDA*	**1.7**	**(0.9)**	**(1.1)**

Note: Rounding differences may occur.
* For the definition of EBITDA and EBITA, please refer to our financial disclaimers and definitions made at the beginning of the report.
** Please refer to the report of the Management Board for details.

REPORT OF THE MANAGEMENT BOARD

FINANCIAL AND OPERATIONAL RESULTS

Project Performance – Proportionate Figures

In H1 2024, MPCES generated and sold proportionate 59.1 GWh (H1 2023: 40.4 GWh) of energy. The average revenue per MWh from power producing assets was around USD 81 per MWh (H1 2023: USD 87 per MWh). The decrease in average revenue per MWh is diluted as we added more revenue generating projects to the portfolio that secured lower power prices than the fewer plants that were operational during H1 2023.

The combined heat and power (CHP) plant Neol CHP in Puerto Rico generated only a relatively low level of energy output (1.1 GWh) due to a lack of liquified natural gas which is to be purchased and provided by the off-taker Neolpharma. However, following the contractual terms, MPCES is still able to invoice a minimum amount to the off-taker even if the plant is not delivering energy. The corresponding revenues of USD 0.8 million in H1 2024 were therefore not included when calculating the generated revenue per MWh from power-producing assets.

As of 30 June 2024, five projects are connected to the grid in Mexico, Puerto Rico, El Salvador, and Colombia, and are generating revenues.

Project Performance – Proportionate Figures

proportionate, in thousand USD	Revenue (project level)	Cost of Sales (project level)	EBITDA (project level)	EBITDA margin (project level)
H1 2024	6,104	(2,215)	3,889	64%
H1 2023	4,022	(2,131)	1,891	47%
H1 2022	1,491	(400)	1,091	73%
Relative change 2024 vs. 2023	**+52%**	**+4%**	**+106%**	

Note: Rounding differences may occur.

Consolidated Income Statement

During H1 2024, the Company generated revenues in the amount of USD 5.5 million (H1 2023: USD 4.1 million). Cost of sales were USD 2.0 million (H1 2023: USD 2.3 million). Personnel expenses of USD 0.8 million (H1 2023: USD 1.0 million), other operating expenses of USD 1.0 million (H1 2023: USD 1.6 million), and charges for depreciation, amortization and impairments of USD 2.2 million (H1 2023: USD 1.8 million) led to an operating loss (EBIT) of USD 0.5 million (H1 2023: loss of USD 2.7 million). The net loss for the period was USD 4.6 million (H1 2023: net loss of USD 2.6 million), or USD 0.1 million excluding effects from foreign exchange movements (H1 2023: net loss of USD 4.1 million excluding effects from foreign exchange movements).

The greater number of operating power plants and the overhead cost cutting measures implemented by the Company in late 2023 are reflected in the better financial performance compared to the previous year.

Consolidated Financial Position

As of 30 June 2024, MPCES had non-current assets of USD 98.6 million and current assets of USD 32.6 million, including cash and cash equivalents of USD 23.3 million (30 June 2023: USD 109.7 million, USD 20.8 million and USD 15.4 million, respectively). The equity position was USD 65.3 million, with non-current liabilities USD 58.0 million and current liabilities of USD 7.9 million (30 June 2023: USD 76.2 million, USD 48.1 million and USD 6.1 million, respectively). The non-current liabilities mainly relate to non-recourse project finance debt for Los Santos I (Mexico), Santa Rosa & Villa Sol (El Salvador) and San Patricio (Guatemala). Please refer to Note 3 for details on project finance loans.

Consolidated Cash Flow

MPCES recorded negative operating cash flows of USD 2.2 million in H1 2024 (H1 2023: negative USD 0.5 million), as well as negative cash flows from investing activities of USD 3.9 million (H1 2023: negative USD 8.9 million) and positive cash flows from financing activities in the amount of USD 9.1 million (H1 2023: positive USD 0.6 million). Including effects from currency translations, the total positive cash flow in H1 2024 was USD 2.8 million (H1 2023: negative USD 8.7 million).

Free Cash Position

We ended H1 2024 with a free cash position of USD 4.2 million. We define free cash as funds available for immediate deployment for project investments, project development and group overhead. This figure excludes cash available in our project companies (USD 18.4 million, of which USD 15.5 million belong to San Patricio in Guatemala), as well as cash deposited as collateral to secure project-related bank guarantees (USD 0.7 million).

in thousand USD	30.06.2024	31.12.2023
Consolidated group cash position	23,284	20,483
Restricted deposits	(653)	(1,991)
Cash held in consolidated project entities	(18,386)	(3,721)
Free cash position of the group	**4,245**	**14,771**

Note: Rounding differences may occur.

During the first half of 2024, we fully funded our solar PV project San Patricio in Guatemala. As of today, MPCES has invested USD 8.5 million in the project to finance development and construction equity. USD 8.1 million of that amount was deployed into the project entity since 1 January 2024, significantly reducing our free cash position. We intend to sell 49% of the project to a co-investor. Once the planned transaction is completed, which we target for late 2024, MPCES would recover a substantial share of the invested equity in the project.

On 17 July 2024, MPC Energy Solutions completed its exit from the Añasco project in Puerto Rico, returning USD 2.4 million invested capital and subsequently increasing its free cash by that same amount. The Company had announced its decision to divest from the project in October 2023. Following the completion of the exit, MPCES no longer has any obligations or receivables related to the project.

RISK FACTORS

Risk Management

The Group is exposed to a variety of risks which may or may not materialize and could potentially have an adverse effect on the Group's business and prospects. It is considered practically impossible to generate risk-free profits systematically and sustainably, as risks are part of every company's business activity. Therefore, identifying and mitigating risks is among the most important entrepreneurial duties.

For a detailed overview of the Company's risks and risk assessment, please refer to our Annual Report 2023.

Improvements on the Risk Management System

The Company regularly reviews its methodology of risk management to check whether it meets the current needs and requirements of the Management Board. As part of this review, MPCES evaluates its internal controls and systems for risk management and updates them where needed and encourages employees to actively contribute to the improvement of the Company's risk management system and policies.

MANAGEMENT BOARD

As of 30 June 2024, the Group's Chief Financial Officer (CFO), Stefan H.A. Meichsner, is the only member of the Management Board. He is currently also acting as Interim-CEO of the Group.

The Group aims to provide equal opportunities to men and women when selecting new board members with a target of having women represent at least one third of its members of the Management Board in future.

GOING CONCERN

In preparing the consolidated financial statements, the Management Board is 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 it is expected to liquidate the Company or to cease its operations.

Assessing whether going concern is the correct presumption requires judgement by the Management Board on different matters concerning the Company's ability to continue its operations in the future. This judgement is based on the financial position of the Company, the Company's existing operational projects, projects under construction and the project development backlog, business opportunities and financial projections. Since the Company is not yet generating positive cash flows, the uncertainty of maintaining sufficient liquidity to support the going concern assumption has been assessed. Based on internal financial projections and preparations made to secure additional funding from external sources (asset sales, equity and debt), as well as the fact that the Company has currently no long-term debt on corporate level, the Management Board currently sees no significant risk materializing from this uncertainty.

EVENTS AFTER THE REPORTING DATE

On 17 July 2024, MPC Energy Solutions completed its exit from the Añasco project in Puerto Rico, returning USD 2.4 million invested capital and subsequently increasing its free cash by that same amount. The Company had announced its decision to divest from the project in October 2023. Following the completion of the exit, MPCES no longer has any obligations or receivables related to the project.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

for the period ended 30 June, unaudited
(before appropriation of results)

in thousand USD	Notes	30.06.2024	31.12.2023
Intangible assets	1	18,549	18,198
Property, plant and equipment		62,490	62,313
Right-of-use assets		1,584	1,810
Investments in joint ventures		637	367
Financial assets		15,334	14,191
Non-current assets		**98,594**	**96,879**
Trade and other receivables		5,893	5,569
Prepayments and accrued income		285	167
Deferred tax assets		3,112	-
Cash and cash equivalents	2	23,284	20,483
Current assets		**32,574**	**26,219**
Total assets		**131,168**	**123,098**
Shareholder equity		65,148	69,285
Non-controlling interest		151	149
Equity		**65,299**	**69,434**
Project finance loans	3	50,579	40,729
Lease liabilities		1,530	1,851
Deferred tax liabilities		5,705	3,307
Provisions		159	173
Non-current liabilities		**57,973**	**46,060**
Trade and other payables		3,662	2,314
Payables to related parties		136	265
Project finance loans	3	2,431	3,107
Lease liabilities		290	226
Taxes and other social securities		1,134	1,557
Provisions		243	-
Accruals and deferred income		-	135
Current liabilities		**7,896**	**7,604**
Total equity and liabilities		**131,168**	**123,098**

Note: Rounding differences may occur.

Consolidated Income Statement

for the period ended 30 June, unaudited

in thousands USD		H1 2024	FY2023
Revenue		5,544	9,092
Cost of sales		(2,036)	(4,690)
Employee expenses		(815)	(1,948)
Other operating expenses		(1,043)	(3,164)
Depreciation, amortization, and impairment charges		(2,184)	(6,965)
Operating income (EBIT)		**(534)**	**(7,675)**
Gain from bargain purchases		-	143
Other income and expenses		(6)	(994)
Financial results		(982)	(2,395)
Share of result of joint ventures		459	(1,676)
Profit / (loss) before income tax and FX effects		**(1,063)**	**(12,597)**
FX gain / (loss)	4	(4,482)	2,750
Profit / (loss) before income tax		**(5,545)**	**(9,847)**
Income tax expenses		924	1,345
Net profit / (loss) for the period		**(4,621)**	**(8,502)**
Attributable to common equity holders of the Company		(4,642)	(8,486)
Attributable to non-controlling interest		21	(16)
Weighted average shares outstanding		22,250,000	22,250,000
Basic EPS		(0.21)	(0.38)
Diluted EPS		(0.21)	(0.38)

Note: Rounding differences may occur.

Consolidated Statement of Cash Flows

for the period ended 30 June, unaudited

in thousands USD	Notes	H1 2024	FY2023
Profit / (loss) before income tax		**(5,545)**	**(9,847)**
Depreciation, amortization, and impairment charges		2,184	6,965
Gain from bargain purchases		-	(143)
Changes in working capital		(1,571)	739
Financial result (incl. share of result from joint ventures)		523	4,071
FX result		4,482	(2,750)
Interest received		132	76
Interest paid		(1,570)	(2,762)
Income tax paid		(879)	(299)
Cash flow from operating activities		**(2,244)**	**(3,950)**
Investments in property, plant and equipment		(1,677)	(7,664)
Land purchases		-	-
Investments in intangible assets		(826)	(1,331)
Investments in right-of-use assets		-	-
Acquisition of subsidiaries, net of cash acquired		-	143
Investments in financial assets (equity instruments)		-	-
Investments in financial assets (debt instruments)		(1,433)	(2,145)
Investments in joint ventures		-	10,719
Cash flow from investment activities		**(3,936)**	**(278)**
Proceeds from issuance of share capital		-	-
Proceeds from the issuance of common shares		-	-
Proceeds from project finance loans	3	10,183	2,419
Repayment of project finance loans	3	(1,024)	(1,890)
Other net borrowing activities		-	-
Lease payments		(70)	(118)
Cash flow from financing activities		**9,089**	**411**
Net change in cash and cash equivalents		**2,909**	**(3,817)**
Effects of currency translation		(108)	125
Cash and cash equivalents at the beginning of the period		20,483	24,175
Cash and cash equivalents at the end of the period		**23,284**	**20,483**

Note: Rounding differences may occur.

Notes to the Consolidated Financial Statements

GENERAL

Company profile

As an integrated full-cycle independent power producer (IPP), the principal activities of the Company and its subsidiaries are to develop, build, own, and operate renewable energy projects. This includes, without being limited to, solar and wind farms, energy efficiency solutions and hybrid installations.

The registered and actual address of MPC Energy Solutions N.V. is Apollolaan 151, 1077 AR Amsterdam, the Netherlands. The Company is registered at the Dutch chamber of commerce under number 78205123. The Company was incorporated on 4 June 2020. MPCES has additional offices in Bogotá (Colombia) and Panama City (Panama).

Following a private placement of shares on 22 January 2021, the shares of the Company were listed in the Euronext Growth segment of the Oslo Stock Exchange.

Going concern

In preparing the consolidated financial statements, the Management Board is 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 it is expected to liquidate the Company or to cease its operations.

Assessing whether going concern is the correct presumption requires judgement by the Management Board on different matters concerning the Company's ability to continue its operations in the future. This judgement is based on the financial position of the Company, the Company's existing operational projects, projects under construction and the project development backlog, business opportunities and financial projections. Since the Company is not yet generating positive cash flows, the uncertainty of maintaining sufficient liquidity to support the going concern assumption has been assessed. Based on internal financial projections and preparations made to secure additional funding from external sources (asset sales, equity and debt), as well as the fact that the Company has currently no long-term debt on corporate level, the Management Board currently sees no significant risk materializing from this uncertainty.

Reporting Period

The Company's financial year corresponds to the calendar year.

IFRS

The consolidated financial statements have been prepared in accordance with IFRS as adopted by the European Union and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements have been prepared on a historical cost basis unless stated otherwise.

The consolidated financial statements are presented in USD. All financial information presented in USD has been rounded to the nearest thousand USD unless indicated otherwise.

New and Amended Standards and Interpretations

The Group's intention is to adopt the relevant new and amended standards and interpretations when they become effective, subject to European Union approval before the consolidated financial statements are issued.

New and amended standards as per 1 January 2024 had no impact on the consolidated financial statements. New and amended standards not yet effective are not expected to have a significant impact on the consolidated financial statements of the Group neither.

NOTES TO THE CONSOLIDATED FINANCIAL POSITION, CONSOLIDATED INCOME STATEMENT AND CONSLIDATED STATEMENT OF CASH FLOWS

1. Intangible Assets

in thousand USD	30.06.2024	31.12.2023
Capitalized development expenses	3,768	3,378
Power purchase agreements	14,203	14,762
Other intangible assets	578	58
Total intangible assets	**18,549**	**18,198**

Please refer to the Group's accounting principles in the Annual Report 2023 for additional information on our accounting treatment with regards to capitalizing development expenses.

2. Cash and Cash Equivalents

in thousand USD	30.06.2024	31.12.2023
Bank deposits and cash in hand	22,631	18,492
Restricted deposits and margin accounts	653	1,991
Total cash and cash equivalents	**23,284**	**20,483**
Non-consolidated cash and cash equivalents, proportionate:		
Proportionate cash and cash equivalents, Planeta Rica, Colombia	1,028	469

The Group in some cases provides cash collateral for guarantees to secure power grid connections, tenders, and obligations under supply agreements and power purchase agreements. Such collateral is disclosed as restricted deposits.

The Group also conducts energy trading activities in Colombia, which may include the use of futures contracts. A deposit of cash as collateral is required to cover the risk on such transactions. Such collateral held in "margin accounts" is also disclosed as restricted deposits.

3. Project Finance Loans

in thousand USD	30.06.2024	31.12.2023
Current portion of project finance loans	2,431	3,107
Non-current portion of project finance loans	50,579	40,729
Total project finance loans	**53,010**	**43,836**
Project breakdown:		
Bonilla Zelaya Ingenieros Constructores SA de CV, El Salvador	18,045	18,764
Los Santos I SAPI de CV, Mexico	24,734	25,072
San Patricio Renovables SA, Guatemala	10,230	-
Total project finance loans	**53,010**	**43,836**
Non-consolidated project debt, proportionate:		
Proportionate financial debt, Planeta Rica, Colombia	7,340	7,667

The Group includes non-recourse financing structure in its projects, with loans being provided by commercial banks or development banks with tenors usually tied to the tenor of the respective project's power purchase agreement(s).

For its project Santa Rosa & Villa Sol, El Salvador, which is owned and operated by Bonilla Zelaya Ingenieros Constructores SA de CV, a loan is being provided by Banco Agricola, a member of the Bancolombia Group. The loan is USD-denominated, has a tenor of 15 years and an interest rate of 3-month SOFR plus 4,75%.

The solar PV plant Los Santos I SAPI de CV, Mexico, has secured loans from the North American Development Bank (NADB) and the Development Finance Corporation (DFC), which each provide around 50% of the total outstanding debt. The loans originally had a tenor of 17 years and 20 years, respectively, and will mature in March 2034 and March 2037. Repayments are made semi-annually. The interest rates on both loans are fixed at 4.87% (NADB) and 4.9% (DFC) until 2025, after which the rates will increase by 25 bps for each of the two loans and remain fixed until 2030. The loans' interest rates will then increase by another 25 bps each until the end of the respective loan tenors.

We secured a project finance loan for our solar PV project in Guatemala, which began construction earlier this year. The 65 MWp plant is expected to connect to the power grid and commence operations in mid-2025. The loan of up to USD 34.0 million is provided by local bank Banco de América Central (BAC) and has a 16-year tenor, matching the length of the power purchase agreement (PPA) and reflecting a debt ratio for the project of around 80%. The parties have agreed not to share details on the interest rate applied to the financing.

4. FX Gain / (Loss)

In accordance with IAS 21 (The Effects of Changes in Foreign Exchange Rates), assets and liabilities consolidated from subsidiaries which have a different functional currency are translated into the functional currency of the Company, i.e. into USD, using the exchange rates as of the balance sheet date. Income and expenses are translated into the functional currency using the average exchange rate for the reporting period. In addition, FX gains or losses resulting from the settlement of monetary transactions related to joint ventures, e.g. shareholder loans, denominated in currencies different from the functional currency are translated using the exchange rates as of the balance sheet date.

When translating foreign currency (FX) financial statements into USD for consolidation purposes, certain currency effects are recorded through profit and loss. In the Company's case, this mainly relates to shareholder loans extended to its Colombian joint venture Planeta Rica, which are locally recorded in Colombian Pesos (COP), and the balance sheet positions of its Mexican subsidiary Los Santos I, which are recorded in Mexsican Pesos (MXN) in accordance with local law, even though the Mexican entity mainly conducts its business in USD.

In H1 2024, we recorded total FX losses of USD 4.5 million from such FX translations, of which USD 3.6 million are attributable to Los Santos I (Mexico) and USD 0.9 million to our joint venture Planeta Rica (Colombia).

Our Mexican project entity has financial liabilities in USD (bank loans, shareholder loans), which fluctuate in their corresponding MXN values depending on the USDMXN exchange rate. Resulting gains / losses in the MXN financial statements are carried over into the consolidated USD financial statements, even though the actual USD liability of the entity does not change.

With regards to shareholder loans extended to our joint venture Planeta Rica in Colombia, the book value of these loans is affected by USDCOP exchange rate movements. Resulting gains / losses are also recorded through profit and loss.

Neither the losses related to Mexico nor Colombia trigger cash movements. Since the currency movements in both cases are difficult to predict, the possible gains / losses are also difficult to anticipate. MPCES currently does not hedge this non-cash currency exposure.

COMMITMENTS

The Group has the following off-balance sheet commitments as of 30 June 2024:

The share purchase agreement with the sellers of Bonilla Zelaya Ingenieros Constructores SA de CV (El Salvador) contains provisions regarding contingent purchase price payments depending on the commercial success of the project. Such contingent purchase price payments may accumulate to a maximum total amount of USD 6.9 million until 2043. The amount disclosed here refers to the part of the potential liabilities that we currently deem as improbable to be paid in the future.

EVENTS AFTER THE REPORTING DATE

On 17 July 2024, MPC Energy Solutions completed its exit from the Añasco project in Puerto Rico, returning USD 2.4 million invested capital and subsequently increasing its free cash by that same amount. The Company had announced its decision to divest from the project in October 2023. Following the completion of the exit, MPCES no longer has any obligations or receivables related to the project.

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