CEIBA INVESTMENTS Ltd

Annual Report & Consolidated Financial Statements
For the Year Ended 31 December 2021

abrdn

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your Ordinary Shares in CEIBA Investments Limited, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

DIRECTORS, MANAGEMENT AND ADVISERS

DIRECTORS (ALL NON-EXECUTIVE)

John Herring *(Chairman)*
Trevor Bowen
Keith Corbin
Peter Cornell
Colin Kingsnorth
Jemma Freeman (appointed 1 October 2021)
all of the registered office

REGISTERED OFFICE

CEIBA Investments Limited
Ground Floor, Dorey Court
Admiral Park, St Peter Port
Guernsey GY1 2HT

ALTERNATIVE INVESTMENT FUND MANAGER (AIFM)

Aberdeen Standard Fund Managers Limited
Bow Bells House, 1 Bread Street
London EC4M 9HH

INVESTMENT MANAGER

Aberdeen Asset Investments Limited
Bow Bells House, 1 Bread Street
London EC4M 9HH

ADMINISTRATOR AND SECRETARY

JTC Fund Solutions (Guernsey) Limited
Ground Floor, Dorey Court
Admiral Park, St Peter Port
Guernsey GY1 2HT

DEPOSITARY

JTC Global AIFM Solutions Limited
Ground Floor, Dorey Court
Admiral Park, St Peter Port
Guernsey GY1 2HT

REGISTRAR

Link Market Services (Guernsey) Limited
Mont Crevelt House,
Bulwer Avenue, St Sampson
Guernsey GY2 4LH

TRANSFER AGENT

Link Asset Services
The Registry
34 Beckenham Road, Beckenham
Kent BR3 4TU

AUDITOR

Grant Thornton Limited
Lefebvre House, Lefebvre Street
St Peter Port, Guernsey GY1 3TF

FINANCIAL ADVISER & BROKER

Singer Capital Markets Limited
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London EC2N 2AX

ADVOCATES TO THE COMPANY (AS TO GUERNSEY LAW)

Carey Olsen (Guernsey) LLP
Carey House, Les Banques
St Peter Port
Guernsey GY1 4BZ

SOLICITORS TO THE COMPANY (AS TO ENGLISH LAW)

Gowling WLG (UK) LLP
4 More London Riverside
London
SE1 2AU

BOND REGISTRAR

JTC Registrars Limited
Ground Floor, Dorey Court
Admiral Park, St Peter Port
Guernsey GY1 2HT

BOND LISTING AGENT AT THE INTERNATIONAL STOCK EXCHANGE

Carey Olsen Corporate Finance Limited
Carey House
Les Banques, St Peter Port
Guernsey GY1 4BZ

COMPANY OVERVIEW

GENERAL

CEIBA Investments Limited ("CEIBA" or the "Company") is a Guernsey-incorporated, closed-ended investment company, with registered number 30083. The Ordinary Shares of the Company are listed on the Specialist Fund Segment ("SFS") of the London Stock Exchange's Main Market under the symbol CBA (ISIN: GG00BFMDJH11). The Company's Bonds are listed on the International Stock Exchange, Guernsey under the symbol CEIB1026 (ISIN: GG00BMV37C27). The governance framework of the Company reflects that as an investment company there are no employees, and the Directors, the majority of whom are independent, are all non-executive. Like many other investment companies, the investment management and administration functions are outsourced to third party providers. Through its consolidated subsidiaries (together with the Company, the "Group"), the Company invests in Cuban real estate and other assets by acquiring shares in Cuban joint venture companies or other entities that have direct interests in the underlying properties. The Company also arranges and invests in financial instruments granted in favour of Cuban borrowers.

FINANCIAL HIGHLIGHTS AS AT 31 DECEMBER 2021 IN £ AND US$ (FOREX: £/US$ = 1.3477)

The Company's Net Asset Value ("NAV") and share price are quoted in Sterling (£) but the functional currency of the Company is the U.S. Dollar (US$). As such, the financial highlights of the Company set out below are being provided in both currencies, applying the applicable exchange rate as at 31 December 2021 of £1:US$1.3477 (2020: £1=US$1.3608).

USD	31 DEC 2021	31 DEC 2020	% CHANGE
Total Net Assets (m)	$160.3	$194.4	(17.5%)
NAV per Share [1]	$1.16	$1.41	(17.5%)
Net Loss to Shareholders (m)	($28.8)	($19.80)	(45.5%)
Basic and Diluted Loss per Share	($0.21)	($0.14)	(50.0%)

GBP	31 DEC 2021	31 DEC 2020	% CHANGE
Total Net Assets (m)	£118.96	£142.90	(16.7%)
NAV per Share [1]	£0.864	£1.038	(16.7%)
Market Capitalisation (m)	£88.1	£116.30	(24.7%)
Share price	£0.64	£0.85	(24.7%)
Discount [1]	(25.9%)	(18.6%)	
Shares in issue	137,671,576	137,671,576	
Ongoing charges[1]	2.80%	2.91%	

1 These are considered Alternative Performance Measures. See glossary on page 87 for more information

MANAGEMENT

The Company has appointed Aberdeen Standard Fund Managers Limited ("ASFML" or the "AIFM") as the Company's alternative investment fund manager to provide portfolio and risk management services to the Company. The AIFM has delegated portfolio management to Aberdeen Asset Investments Limited ("AAIL" or the "Investment Manager"). Both ASFML and AAIL are wholly-owned subsidiaries of abrdn plc ("abrdn"), a publicly-quoted company on the London Stock Exchange. References throughout this document to abrdn refer to both the AIFM and the Investment Manager.

FINANCIAL CALENDAR

16 June 2022	Annual General Meeting 2022
30 September 2022	Announcement of half-yearly results for the six months ending 30 June 2022
31 December 2022	Financial year end

CHAIRMAN'S STATEMENT

At the time of publication of the 2020 Annual Report of CEIBA Investments Limited ("CEIBA" or the "Company") in April 2021, both the Company and Cuba were in the midst of the battle against the Covid-19 pandemic and at that time the long-term impact of the virus and the timing of the expected return to normality were difficult to predict with any degree of certainty. Overall, Cuba has handled the virus well and to date, around 10.6 million people or 94% of the population have received at least one vaccine dose and 87% are fully vaccinated. Consequently, like many other countries, Cuba has now rolled back many of the various restrictions, especially concerning travel, which had been imposed to combat the virus. However, as global travel begins a slow recovery there is no question that CEIBA has been severely impacted throughout 2020 and 2021 and will continue to suffer somewhat until a full return to normal is achieved. Compounding the pandemic issues are the challenges presented by the ongoing U.S. embargo against Cuba, the conflict between Russia and Ukraine and the transitionary effects of recent monetary reforms adopted by the Cuban government. Overall, CEIBA finds itself at present trading in a very challenging environment.

CUBA MONETARY REFORMS

In the second half of 2020, the Cuban government undertook to adopt significant monetary reforms, which your Board considers to be positive overall. These reforms, which are generally referred to as the *Tarea Ordenamiento* (TO), took effect on 1 January 2021 and included:

- the elimination of the Cuban Convertible Peso (CUC), which previously traded at par with the U.S. Dollar (US$), thereby unifying the dual currency system under a single currency: the Cuban Peso or CUP;
- a fixed official exchange rate between the CUP and the US$ of 24 to 1, and;
- the adoption of a system for allocating hard currency throughout the economy intended to largely decentralise business decisions and provide foreign investment vehicles and Cuban entities with real financial autonomy. This is accomplished through the creation of "liquidity" rights (denominated in US$) that can be used to exchange Cuban Pesos to hard currency for international transfers on a decentralised basis.

While the Board considers these reforms to be a positive move the timing, in hindsight, has been unfortunate. The lack of any easing of the U.S. Cuban embargo under the Biden administration and the very slow resumption of international travel in the face of the pandemic have severely impaired the foreign exchange reserves and general liquidity position of the Cuban economy, through reduced overseas remittances and greatly reduced tourism income.

What we are presently witnessing in Cuba as a result of the poor liquidity position is a shortage of vital imported products, increased inflation and a serious devaluation of the street value of the CUP. The Investment Manager's report describes the reforms and their effects in further detail, but at present the main uncertainty caused by them for CEIBA is in relation to the income generated by Inmobiliaria Monte Barreto S.A. ("Monte Barreto") and the Company's ability to realise such income in the form of hard currency dividend payments.

RELATIONS WITH THE UNITED STATES

U.S.-Cuba relations had been expected to improve following the inauguration of President Biden in January 2021, but disappointingly to date nothing has changed from the Trump presidency and all U.S. sanctions have remained stubbornly in place during 2021. In respect of U.S. personnel and entities, the U.S. Cuban embargo legislation prohibits investments in Cuba, greatly constrains family and other hard currency remittances, commercial transactions and trade, and severely restricts travel. It is possible that following the mid-term election in November 2022 we may see some relaxation of the rules in accordance with the promises given prior to his election. Any initiatives to improve the relationship between the two countries should have a very positive impact on the Cuban economy and also on the Company's assets.

2021 REVIEW

Similar to its performance throughout the whole of 2020 and despite the backdrop of the Covid-19 pandemic, Monte Barreto, the Cuban joint venture company that owns and operates the Miramar Trade Center, which is Cuba's leading mixed-use office and retail real estate complex, continued to trade strongly throughout 2021 and occupancy levels remained well over 95% throughout the year. Although revenues were down slightly as compared with the prior year, net income in 2021 reached US$15.6 million for the year, representing an 8.5% increase over the prior year and making 2021 the most profitable year since incorporation of the joint venture. This increase in profitability has largely been a result of the lower operating costs as a result of the unification of the currency. The 2022 outlook for Monte Barreto continues to be positive, with occupancy percentage levels expected to remain in the high nineties throughout the year.

While Monte Barreto continues to trade well, there presently remains considerable uncertainty over the impact of Cuba's monetary reforms on the ability of the joint venture company to generate "liquid" hard currency income from its operations (and consequently its ability to pay dividends to its shareholders without depending on allocations of hard currency from the Cuban authorities). This matter remains unresolved at present and discussions are continuing between the joint venture partner and the relevant Cuban government authorities to confirm the position. While this uncertainty remains, the discount rates applied to future cash flows for the purpose of arriving at a valuation for Monte Barreto have increased, resulting in a lower valuation for CEIBA's present interest. In addition, due to the uncertainty on the timing of payment of the dividends owed to the Company by Monte Barreto, the Company has made a provision in its financial statements in the amount of US$12,281,408 representing the outstanding dividends receivable from Monte Barreto.

Throughout 2021, the global travel and hotel industries continued to be severely impacted by the Covid-19 pandemic. During November 2021 Cuba re-opened its borders to international tourism, but then the Omicron variant of the virus spread globally and further delayed any material recovery in the travel trade. As a result, in 2021 Cuba received fewer than 360,000 tourists – 67% less than during 2020, and less than 10% of the 4 million tourists that Cuba hosted during 2019, the last year before the pandemic.

CEIBA's main hotel interests are held through its 32.5% holding in the Cuban joint venture company Miramar S.A. ("Miramar"). Miramar owns three hotels in Varadero and one hotel in Havana. In Varadero, the Meliã Las Américas and the Meliã Varadero re-opened in November 2021, having been closed since arrival of the pandemic in March 2020. The Sol Palmeras remained open for most of the year but traded on a heavily scaled-back basis and mainly to Cuban nationals. The Meliã Habana Hotel in Havana remained open throughout 2021 and was one of the main quarantine hotels on the island, managing to maintain positive operations throughout the year. Miramar had a negative EBITDA of US$4.5 million, including a one-time foreign exchange expense of US$5.4 million relating to the conversion of monetary assets under the monetary reforms. While the recovery in the tourist trade remains slow, a gradual build up throughout 2022 is expected.

CEIBA's other hotel interest is its 40% holding in the Cuban joint venture company TosCuba S.A. ("TosCuba"), which is constructing the 400-room Meliã Trinidad Península Hotel. This hotel is situated on the south coast of Cuba close to the historic city of Trinidad and will be the first modern international-standard beach resort hotel in the area. It should prove to be an excellent addition to the hotel interests of the Company. Construction has continued throughout the year, although at a reduced pace, and the original contractor was replaced in the first half of 2021 following repeated defaults in performance. Completion of the construction process is expected to take place during 2022, with a soft opening scheduled for the first quarter of 2023 and the official launch of the hotel during Cuba's international Tourism Fair in May 2023.

DIVIDENDS

The Covid pandemic has clearly had a very negative impact on the revenues generated by the Company's hotel interests and it was decided, following its onset, that it was vital that CEIBA should maintain sufficient cash to meet all of its existing and future undertakings. Accordingly, the dividend policy was suspended in 2020 and no dividend has been paid since then. The Board would very much like to reinstate the payment of dividends but, in view of there still being considerable uncertainty as to how long it will take to see a return of normal tourism numbers and with the added uncertainty of the impact of the monetary reforms on the dividends payable by Monte Barreto, it has been decided to maintain the present position for another year. Accordingly, it is not intended that any dividend be paid to shareholders in 2022. This stance will be kept under constant review and it remains the Board's intention to reinstate the dividend as soon as appropriate.

BOARD

I am grateful to the Board for their commitment and input during another challenging year. It is the Board's policy to undertake a regular review of its own performance to ensure that it has the appropriate mix of relevant experience and skills to ensure the effective overall operation of the Company. In this latter regard, I am delighted to welcome Jemma Freeman to the board. She was appointed in October 2021 and is the Executive Chairman of Hunters & Frankau Limited, the exclusive distributor for Habanos S.A.'s cigar portfolio in the United Kingdom. The Freeman family have been involved with cigars since the 1800's and with Cuba since the 1920's when they owned cigar factories in Havana. She brings a wealth of experience, skills and diversity to the Board, in addition to her deep knowledge and understanding of the Cuban business environment, complementing those of our existing directors.

THE INVESTMENT MANAGER

Aberdeen Standard Fund Managers Limited, a wholly owned subsidiary of abrdn plc, has acted as manager of the Group's portfolio of assets throughout the year. There has been no change in the underlying key operational management of the Company and this team continues to be headed by Sebastiaan Berger, who is exclusively focused on the Company's assets and business and has acted in this role for some 20 years. The Board reviewed the work of the Investment Manager during the year and concluded that it was very satisfied with the performance of the Investment Manager and that it was in the best interests of shareholders that ASFML remain as manager of the portfolio.

The Board extends its sincere thanks to the Investment Manager and to the entire management team based in Cuba for their commitment and efforts on behalf of the Company in these very difficult times.

John Herring
Chairman
28 April 2022

STRATEGIC REPORT

INVESTMENT OBJECTIVE

The investment objective of the Company is to provide a regular level of income and substantial capital growth.

INVESTMENT POLICY

The Company is a country fund with a primary focus on Cuban real estate assets. The Company seeks to deliver the investment objective primarily through investment in, and management of, a portfolio of Cuban real estate assets, with a focus on the tourism and commercial property sectors. Cuban real estate assets may also include infrastructure, industrial, retail, logistics, residential and mixed-use assets (including development projects).

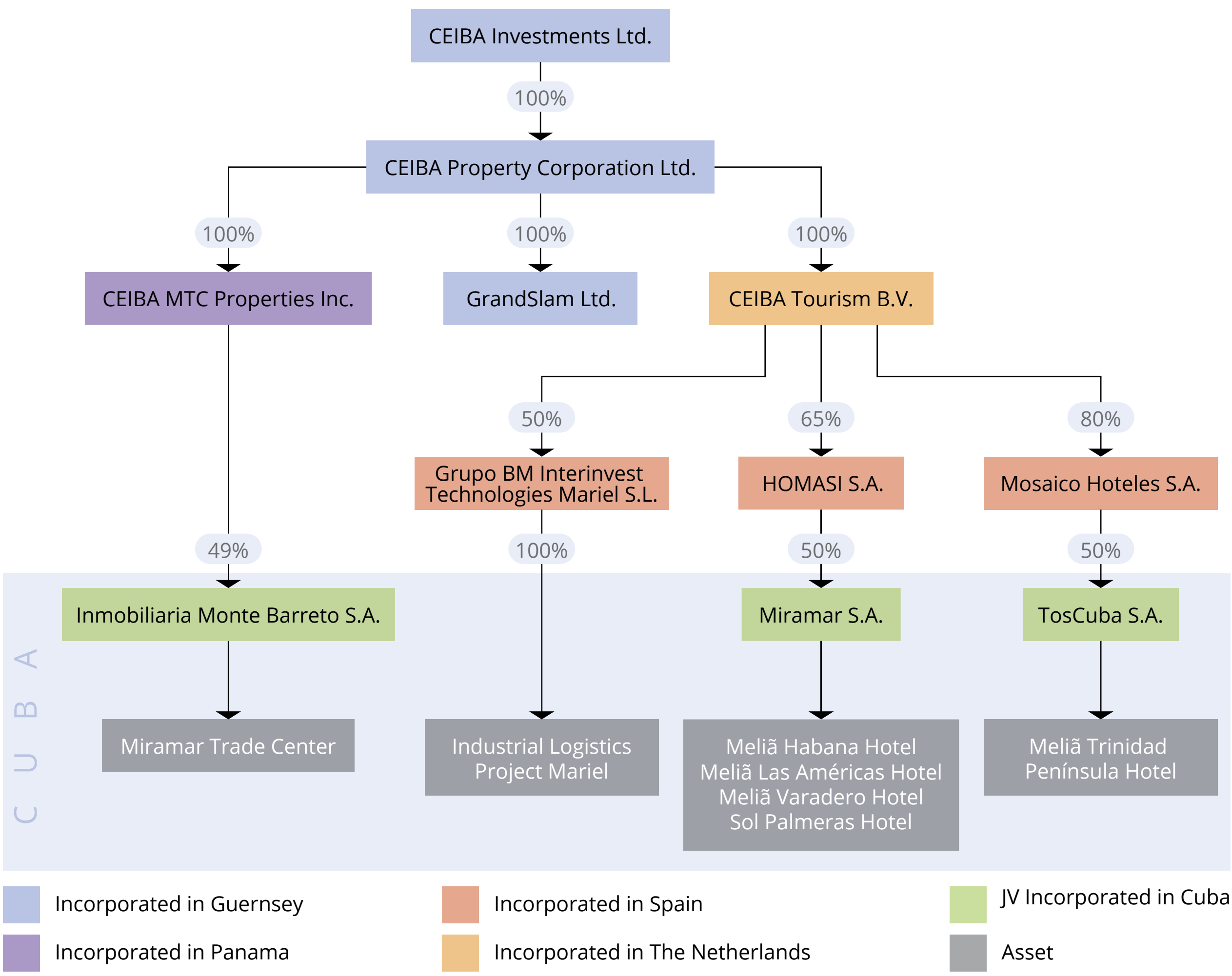
The Company may also invest in any type of financial instrument or credit facility secured by Cuba-related cash flows.

In addition, subject to the investment restrictions set out below, the Company may invest in other Cuba-related businesses, where such are considered by the Investment Manager to be complementary to the Company's core portfolio ("Other Cuban Assets"). Other Cuban Assets may include, but are not limited to, Cuba-related businesses in the construction or construction supply, logistics, energy, technology and light or heavy industrial sectors.

Investments may be made through equity investments, debt instruments or a combination of both.

The Company will invest either directly or through holdings in special purpose vehicles ("SPVs"), joint venture vehicles, partnerships, trusts or other structures. The Cuban Foreign Investment Act (Law 118 / 2014) guarantees that the holders of interests in Cuban joint venture companies may transfer their interests, subject always to agreement between the parties and the approval of the Cuban government.

GROUP STRUCTURE



INVESTMENT RESTRICTIONS

The following investment limits and restrictions apply to the Company and its business which, where appropriate, will be measured at the time of investment:

- the Company will not knowingly or intentionally use or benefit from confiscated property to which a claim is held by a person subject to U.S. jurisdiction;
- the Company may invest in Cuban and non-Cuban companies, joint ventures and other entities that earn all or a substantial part of their revenues from activities outside Cuba, although such investments will, in aggregate, be limited to less than 10% of the Gross Asset Value;
- save for Monte Barreto (see the Investment Manager's Review for more information on this asset), the Company's maximum exposure to any one asset will not exceed 30 per cent. of the Gross Asset Value;
- no more than 20 per cent. of the Gross Asset Value will be invested in Other Cuban Assets; and
- no more than 20 per cent. of the Gross Asset Value will be exposed to "greenfield" real estate development projects, being new-build construction projects carried out on undeveloped land.

The restrictions above apply at the time of investment and the Company will not be required to dispose of any asset or to re-balance the portfolio as a result of a change in the respective valuations of its assets. The investment limits detailed above will apply to the Group as a whole on a look-through basis, i.e. where assets are held through subsidiaries, SPVs, or equivalent holding vehicles, the Company will look through the holding vehicle to the underlying assets when applying the investment limits.

KEY PERFORMANCE INDICATORS ("KPIS")

The KPIs by which the Company measures its economic performance include:

- Total income
- Net income
- Total net assets
- Net asset value per share (NAV)*
- Net asset value total return*
- Market capitalisation
- Premium / Discount to NAV*
- Dividend per share
- Gain/Loss per share

* These are considered Alternative Performance Measures.

In addition to the above measures, the Board also regularly monitors the following KPIs of the joint venture companies in which the Company is invested and their underlying real estate assets, all of which are Alternative Performance Measures.

In the case of commercial properties, other KPIs include:

- Occupancy levels
- Average monthly rate per square meter (AMR)
- Earnings before interest, tax, depreciation and amortisation (EBITDA)
- Net income after tax

In the case of hotel properties, other KPIs include:

- Occupancy levels
- Average Daily Rate per room (ADR)
- Revenue per available room (RevPAR)
- EBITDA
- Net income after tax

The Board also monitors the financial performance of the Cuban joint venture companies that own the commercial and hotel properties using these KPIs. The Board and the Investment Manager seek to influence the management decisions of the Cuban joint venture companies through representation on their corporate bodies with the objective of generating reliable and growing cash flow for the Cuban joint venture companies, which in turn will be reflected in reliable and growing dividend streams in favour of the Company.

PRINCIPAL RISKS

PRINCIPAL RISKS

Introduction

The Company is exposed to a variety of risks and uncertainties. The Board, through the Audit Committee, is responsible for the management of risk and has put in place a regular and robust process to identify, assess and monitor the principal risks and uncertainties facing the business. A core element of this process is the Company's risk register which identifies the risks facing the Company and identifies how these may impact on operations, performance and solvency and what mitigating actions, if any, can be taken. There are a number of risks which, if they occurred, could have a material adverse effect on the Company and its financial condition, performance and prospects. As part of its risk process, the Board also seeks to identify emerging risks to ensure that they are effectively managed as they develop. In the event that an emerging risk has gained significant weight or importance, that risk is categorised and added to the Company's risk register and is monitored accordingly.

Principal Risks

The Company invests in Cuba, a frontier or pre-emerging market, which may increase the risk as compared to investing in similar assets in other jurisdictions.

In addition to general country-risk, the most significant risks faced by the Company during the financial year appear in the table below, together with a description of the possible impact thereof, mitigating actions taken by the Company and an assessment of how such risks are trending at the present time.

The Board relies upon its external service providers to ensure the Company's compliance with applicable regulations and, from time to time, employs external advisers to advise on specific concerns. The operation of key controls in the Investment Manager's and other third party service providers risk management processes and how these apply to the Company's business are reviewed regularly by the Audit Committee along with internal control reports from these entities.

TYPE OF RISK	DESCRIPTION AND POSSIBLE IMPACT	MITIGATING ACTION	TREND
Emerging Risks relating to the Cuban Financial System			
Cuban Financial Reforms – Financial Autonomy Rules	During the second half of 2020 and continuing throughout 2021, in the midst of the economic disruption caused by the Covid-19 pandemic and strengthened sanctions maintained in place by the U.S. government, the Cuban government adopted new financial reforms aimed at creating a new objective system for the allocation of limited liquidity reserves within the economy and intending to provide "real financial autonomy" to Cuban entities, including foreign investment vehicles such as the joint venture companies in which the Company invests. These reforms set fixed levels of "liquidity" for various types of income and largely remove the requirement to obtain centralised foreign exchange approvals for international payments (such as the distribution of dividends to foreign shareholders) sourced from the "liquid" financial resources over which the entities have autonomous/ decentralised control. This new "liquidity" generated automatically in the course of operations is in addition to the regular centralised/government allocations of liquidity, which must still be provided (as was the case prior to adoption of the reforms) in the event that the financial autonomy rules do not generate sufficient liquid resources from operations to cover international obligations. However, these measures are being implemented gradually and do not at present apply to all economic sectors or to all joint venture companies. In particular, the new rules are not presently being applied to joint venture companies in the commercial real estate sector (such as Inmobiliaria Monte Barreto S.A. in which the Company has a 49% interest) with the result that these companies remain fully dependent on centrally assigned liquidity for their international payments. The new measures may take time to show the intended effect or may not have the stated positive impact on the liquidity position of the country, or their application may not be fully extended to all of the joint venture companies in which the Company has a participation, which may have a negative effect of the affairs of the Company.	The Investment Manager has closely followed all developments relating to the adoption and implementation of these new measures, and has communicated its views and interacted regularly at all appropriate levels in order to extend their application to the operations of the joint venture companies in which the Company has a participation. Although the interpretation of the new financial autonomy rules, as well as the practical ability of the Cuban financial system to successfully implement them in the short term, remain subject to significant uncertainty, the Investment Manager believes that the new financial autonomy rules will in most cases create an objective (non-discretionary) and largely decentralised mechanism for the allocation of liquid resources, thereby significantly increasing the financial autonomy of joint venture companies and representing a real reduction in liquidity risk. Where insufficient liquidity may be generated from operations, then the relevant joint venture companies will remain subject, as before, to the more general system of centralised allocation of liquidity, with the inherent risks that this implies.	↑
Currency Reform Risk	As part of the 2020-2021 economic reform package adopted by the Cuban government in order to continue modernising the Cuban economy, new currency reforms aimed at harmonising exchange rates and eliminating Cuba's dual currency system required all foreign investment vehicles to convert and denominate their assets and legal obligations, and to carry out all transactions, in Cuban Pesos ("CUP" previously denominated and carried out in US$). The Cuban Peso has a fixed (non-market) exchange rate of US$1.00 : CUP24, which may be subject to further devaluation at the discretion of the Cuban Central Bank.	The currency devaluation risk associated with the imposition of the CUP as sole currency for operations is new and significant. The cash and currency positions of each of the joint venture companies in which the Company has a participation are continuously monitored for the purpose of reducing currency risk to the greatest extent possible. There are presently no hedging mechanisms available to mitigate this new risk.	↑

TYPE OF RISK	DESCRIPTION AND POSSIBLE IMPACT	MITIGATING ACTION	TREND
General Liquidity of the Cuban Financial System and Repatriation Risk	The continued high levels of tension between the United States and Cuba and the maintenance by the Biden administration of harsh U.S. sanctions imposed during the Trump administration, which have resulted in steep reductions in U.S. family remittances and travellers to Cuba, as well as the global fall in international tourism and other economic shocks associated with the Covid-19 pandemic, together with numerous transitional difficulties associated with the implementation of the currency reform measures described above, have had strong negative impacts on the fragile economic and liquidity positions in Cuba. In the final months of 2021 and through the first quarter of 2022, there was a marked deterioration in the timing of international transfers from Cuba. The duration of these negative effects is unknown, and they may in turn have a continuing negative impact on the ability of the joint venture companies in which the Company has an interest to make distributions abroad, which in turn may have a negative impact on the ability of the Company to carry out its investment programme.	The Investment Manager actively monitors and manages the liquidity position of the Company, its subsidiaries and the joint ventures, in which it invests to the greatest extent possible so that cashflows of the Company are transferred to bank accounts outside Cuba. The Investment Manager has no control or influence over the execution or timing of payments to be transferred by Cuban banks to the Company's international bank accounts.	↑
Risks relating to the War in Ukraine	Cuba maintains strong historical, political and economic ties to Russia and to Ukraine. The Russian-Ukrainian conflict that erupted in February 2022 resulted in an abrupt halt in Russia and Ukraine tourism to the island. Since the reopening of the tourism sector in November 2021, Cuba welcomed a significant number of Russian and Ukranian tourists to the island. Further aspects of the Russia-Cuba relationship may eventually be affected by the conflict, including Russian investments in Cuba, banking relationships and other areas.	Although the conflict resulted in an abrupt halt of the tourists travelling from Russia and Ukraine to Cuba, the operator of the Company's tourism assets has refocused its marketing efforts to attract tourists from its historical principal tourist supplier (Canada) and other countries.	↑
Public Health Risk			
Global Pandemic Risk	Although Cuba and many other parts of the world appear to have now passed the worst stage of the Covid-19 pandemic and to have reached, or be on the point of reaching, a stage of declining numbers of new cases, hospitalisations and deaths, the continued effects of the public health risks associated with the Covid-19 pandemic, including the arrival of new variants, may have a lasting and as yet unquantifiable negative impact on the global tourism industry, the economy of Cuba, and the operations and performance of the assets of the Company. The pandemic may directly or indirectly affect all other risk categories mentioned in this matrix.	The Board discusses current issues with the Investment Manager to limit the impact of the pandemic on the business of the Company. The Board recognises that tourism is particularly affected by the various travel restrictions that have been imposed and considers that this is a risk that is likely to continue to impact upon the operating environment of the Company in the short term. The Board's actions are targeted at (i) protecting the welfare of the various teams involved in the affairs of the Company, (ii) ensuring operations are maintained to the extent possible and to protect and support the assets of the Company for the duration of the present crisis, and (iii) to mitigate insofar as possible the longer-term negative impact of economic and operational disruption caused by this and future pandemics.	↓

TYPE OF RISK	DESCRIPTION AND POSSIBLE IMPACT	MITIGATING ACTION	TREND
Risks Relating to the Company and its Investment Strategy			
Investment Strategy and Objective	The setting of an unattractive strategic proposition to the market and the failure to adapt to changes in investor demand may lead to the Company becoming unattractive to investors, a decreased demand for shares and a widening discount.	The Company's investment strategy and objective is subject to regular review to ensure that it remains attractive to investors. The Board considers strategy regularly and receives strategic updates from the Investment Manager, investor relations reports and updates on the market from the Company's Broker. At each Board meeting, the Board reviews the shareholder register and any significant movements. The Board considers shareholder sentiment towards the Company with the Investment Manager and Broker, and the level of discount at which the Company's shares trade.	→
Investment Restrictions	Investing outside of the investment restrictions and guidelines set by the Board could result in poor performance and inability to meet the Company's objectives, as well as a discount.	The Board sets, and monitors, its investment restrictions and guidelines, and receives regular reports which include performance reporting on the implementation of the investment policy, the investment process and application of the guidelines. The Investment Manager attends all Board meetings. The Board monitors the share price relative to the NAV.	→
Portfolio and Operational Risks			
Joint Venture Risk	The investments of the Group in Cuban real estate assets are made through Cuban joint venture companies in which Cuban government entities hold an equity interest, giving rise to risks relating to the liquidity of investments, government approval, corporate governance and deadlock.	Prior to entering into any agreement to acquire an investment, the Investment Manager will perform or procure the performance of due diligence on the proposed acquisition target. The Group tries to structure its equity investments in Cuban joint venture companies so as to include a viable exit strategy. The Investment Manager, or the members of the on-the-ground team, regularly attend the Board meetings of the joint venture companies through which Group interests are held, and actively manage relations with the management teams of each joint venture company, the relevant Cuban shareholders and relevant third parties to ensure that Group interests are enhanced.	→
Real Estate Risk	As an indirect investor in real estate assets, the Company is subject to risks relating to property investments, including access to capital and finance, global capital and financial market conditions, acquisition and development risk, competition, tenant risk, environmental risk and others, and the materialisation of these risks could have a negative effect on specific properties, development projects or the Group generally.	The Investment Manager regularly monitors the level of real estate risk in the Cuban market and reports to the Board at each meeting regarding recent developments. The Investment Manager works closely with the on-the-ground team, the external hotel managers and the joint venture managers to identify, monitor and actively manage local real estate risk. In the case of Monte Barreto, tenant risk has been augmented by the new financial autonomy rules, which result amongst others in certain categories of tenants paying their rents with varying degrees of liquidity. The Investment Manager, together with the management team of Monte Barreto, now assesses the impact of the new financial autonomy rules in all new leasing decisions.	↑

TYPE OF RISK	DESCRIPTION AND POSSIBLE IMPACT	MITIGATING ACTION	TREND
Construction Risk	As a developer and investor in new construction as well as refurbishment projects, the Company is subject to risks relating to the planning, execution and cost of construction works, including the availability and transportation of materials and the cost thereof, inclement weather, contractor risk, execution risk and the risk of delay. The materialisation of these risks could have a negative effect on the implementation of development projects of the Group.	The Investment Manager regularly monitors all construction and refurbishment activities carried out within Group companies and works closely with the on-the-ground management team and the joint venture managers to identify, monitor and actively manage all construction risks. The Investment Manager reports to the Board at each meeting regarding recent developments in this respect. In the construction context, the availability and transportation of construction materials have been significantly affected by the Covid-19 pandemic worldwide, thereby increasing construction costs.	↑
Tourism Risk	As an indirect investor in hotel assets, the Company is subject to numerous risks relating to the tourism sector, both in outbound and inbound markets, including the cost and availability of air travel, the imposition of travel restrictions by overseas governments, seasonal variations in cash flow, demand variations, changes in or significant disruptions to travel patterns, risk related to the manager of the hotel properties, and the materialisation of these risks could have a negative impact on specific properties or the Company generally.	The Investment Manager regularly monitors the local and regional tourism markets and meets regularly with the external hotel management to identify, monitor and manage global and local tourism risk and to develop appropriate strategies for dealing with changing conditions. The Company aims to maintain a diversified portfolio of tourism assets spanning various hotel categories (city hotel / beach resort, business / leisure travel, luxury / family) in numerous locations across the island. As the world reemerges from the Covid-19 pandemic the Investment Manager is working closely with the external hotel management to optimise the resumption of full scale operations at the hotels in which the Company has an interest.	↓
Valuation Risk	Asset valuations may fluctuate materially between periods due to changes in market conditions. The combined effects of higher levels of risk associated with financial and monetary reforms, the continuation under the Biden administration of an aggressive U.S. sanction regime and the slower than expected recovery of the worldwide tourism market in the face of the pandemic have resulted in increased discount rates and lower income projections, leading to a rise in the volatility of valuations.	As part of the valuation process, the Investment Manager engages an independent third party valuer to provide an independent valuation report on each of the indirectly owned real estate assets of the Group. The valuations are also subject to review by the Investment Manager's Alternatives Pricing Committee.	↑
Dependence on Third Party Service Providers	The Company is dependent on the Investment Manager and other third parties for the provision of all systems and services relating to its operations and investments, and any inadequacies in design or execution thereof, control failures or other gaps in these systems and services could result in a loss or damage to the Company. In addition, the continued high level of aggression of U.S. sanctions may limit the pool of service providers willing or able to work with the Company.	The Board receives reports from its service providers on internal controls and risk management at each Board meeting. It receives assurance from all its significant service providers as well as back-to-back assurances where activities are themselves sub-delegated to other third party providers with which the Company has no direct contractual relationship. In the course of its activities, the Management Engagement Committee of the Board reviews the engagements of all third party service providers on an annual basis. Further details of the internal controls which are in place are set out in the Directors' Report on pages 30 and following.	→

TYPE OF RISK	DESCRIPTION AND POSSIBLE IMPACT	MITIGATING ACTION	TREND
Loss of Key Fund Personnel	The loss of key managers contracted by the Investment Manager to manage the portfolio of investments of the Group could impact performance of the Company.	Under the Management Agreement, the Investment Manager has the obligation to provide at all times personnel with adequate knowledge, experience and contacts in the Cuban market. In order to mitigate key manager risk. The Investment Manager makes every effort to spread knowledge and experience of the Cuban market within the organisation so as to reduce reliance on a small team of individuals.	→
Risks Relating to Investment in Cuba and the U.S. Embargo			
General Economic, Political, Legal and Financial Environment within Cuba	The Group's underlying investments are situated and operate within a unique economic and legal market, with a comparatively high level of uncertainty, and a sensitive political environment.	The Company benefits from the services of its highly experienced on-the-ground management team consisting of eight members. With a well-balanced mix of Cuban and foreign professionals who all have long-standing expertise in the country, the team is one of the most practised investment groups focused exclusively on investment in the Cuban market, which constantly monitors the economic, political and financial environment within Cuba. The subsidiaries of the Company have been structured to benefit from existing investment protection and tax treaties to which Cuba is a party.	↑
U.S. government restrictions relating to Cuba	Tensions remain high between the governments of the United States and Cuba and the U.S. government maintains numerous legal restrictions aimed at Cuba, including the inclusion of Cuba on the U.S. list of state sponsors of terrorism. Contrary to pre-election campaign statements and widely held initial expectations, the Biden administration has not taken any steps to soften or suspend any restrictions against Cuba, although it is possible that it might do so in the future. The rise of further tensions with the United States or the adoption by the U.S. government of further restrictions against Cuba could negatively impact the operations of the Company and its access to third-party service providers, the value of its investments, the liquidity or tradability of its shares, or its access to international capital and financial markets.	The Investment Manager closely follows developments relating to the relationship between the United States and Cuba and monitors all new restrictions adopted by the United States to measure their possible impact on the assets of the Group. The Group has adapted its investment model to the existing sanctions, but the risk remains of further sanctions being adopted in the future.	→

TYPE OF RISK	DESCRIPTION AND POSSIBLE IMPACT	MITIGATING ACTION	TREND
Helms-Burton Risk	On 2 May 2019, Title III of the Helms-Burton Act was brought fully into force by the Trump administration following 23 years of successive uninterrupted suspensions. Numerous legal claims were subsequently launched before U.S. courts against U.S. and foreign investors in Cuba, which has had and could have a further negative impact on the foreign investment climate in Cuba and may hinder the ability of the Company to access international capital and financial markets in the future. In light of the political nature of the Helms-Burton Act, and the fact that under Title III of the Act, Cuban persons who were not U.S. Persons at the time their property was expropriated but subsequently became U.S. Persons have the right to make claims, there is also a risk that legal claims might be initiated against the Company or its subsidiaries before U.S. courts. The Biden administration has not taken any steps to suspend or repeal Title III of the Helms-Burton Act, although it is possible that it might do so in the future.	At the time of acquiring each of its interests in Cuban joint venture companies, the Company carried out extensive due diligence investigations in order to ensure that no claims existed under applicable U.S. legislation, and in particular that there were no claims certified by the U.S. Foreign Claims Settlement Commission under its Cuba claims program with respect to any of the properties in which the Company acquired an interest. However, given the broad definitions and terms of the Helms-Burton Act and its purpose of creating legal uncertainty on the part of investors in Cuba, as well as the absence of any register of uncertified claims or case law, there is no certain way for the Company to verify beyond doubt whether or not a Helms-Burton action under Title III could be brought in respect to a particular property, or whether the Company may be deemed to indirectly profit or benefit from certain activities carried out by other parties. The Company does not have any property or assets in the United States that could be subject to seizure.	→
Transfer Risk – U.S. Sanctions	Numerous U.S. legal restrictions contained in the Cuban Assets Control Regulations and other legal provisions target financial transactions, instruments, and other assets in which there is a Cuban connection. As a result U.S. and international banks, clearing houses, brokers and other financial intermediaries may refuse to deal with the Company or may freeze, block, refuse to honor, reverse or otherwise impede legitimate transactions or assets of the Company, even where no U.S. link is established.	The Investment Manager is conscious of and closely follows developments concerning the U.S. legal restrictions that target financial transactions and assets. The Company does not carry out any international transfers in U.S. Dollars or through U.S. banks or intermediaries. The Investment Manager manages the banking relationships of the Company and generally acts at all times so as to minimise the impact of these legal provisions on the legitimate transactions and assets of the Company.	→
Currency Risk	As a result of U.S. sanctions prohibiting the use of the U.S. dollar, the Group deals in numerous currencies and fluctuations in exchange rates can have a negative impact on the performance of the Group, as well as the expression of the Company's NAV in Sterling and/or USD. The risk relating to monetary reforms recently adopted by the Cuban government imposing the use of the CUP are described elsewhere in this table.	The Company does not hedge its foreign currency risks.	↑
Risks relating to Regulatory and Tax Framework			
Tax Risk	Changes in the Group's tax status or tax treatment in any of the jurisdictions where it has a presence may adversely affect the Company or its shareholders.	The Investment Manager regularly reviews the tax rules that may affect the operations or investments of the Company and seeks to structure the activities of the Company in the most tax efficient manner possible. However, the Company holds investment structures in numerous jurisdictions arising from past acquisitions, and the general direction of change in many jurisdictions is not favourable.	↑

The financial risks associated with the Company include market risk, liquidity risk and credit risk, all of which are described in greater detail in note 19 to the Consolidated Financial Statements.

The Board will continue to assess these risks on an ongoing basis and is confident that the procedures that the Company has put in place are sufficient to ensure that the necessary monitoring of risks and controls has been carried out throughout the reporting period.

VIABILITY STATEMENT

The Board considers the Company, with no fixed life, to be a long-term investment vehicle.

The Board continually considers the prospects for the Company over the longer term. Based on the Company's current financial position, its operating model and track record, as well as the experience of the Investment Manager from both a Cuban investment and closed-ended investment company perspective, the Board believes that the Company has a sound basis upon which to continue to deliver capital growth and returns over the long term.

For the purposes of this viability statement, the Board has decided that a period of four years is an appropriate period over which to report. In assessing the viability of the Company over the review period, the Directors have conducted a robust review of the principal risks focusing upon the following factors:

- The principal and emerging risks as detailed in the Principal Risks reported on pages 8 to 14;
- The ongoing relevance of the Company's investment objective in the current environment;
- The level of income generated by the Company and forecast income; and
- The valuation of the Company's property portfolio, the Investment Manager's portfolio strategy for the future and the market outlook.

The Board has considered the impact of the Covid-19 pandemic and the Russia-Ukraine conflict on the portfolio when assessing the viability of the Company and, in particular, considered:

- The impact on the general liquidity position of Cuba and the ability of Miramar and Monte Barreto to distribute dividends to their shareholders, including the Group;
- The impact on the Cuban tourism industry and the financial results of Miramar; and
- The impact on the timing of construction of the TosCuba Project due in part to delays in the receipt of construction imports from Europe.

Following review, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for the period of assessment, which is four years from the date of this Annual Report. While the Covid-related travel restrictions and the Russian invasion of Ukraine have had an impact on tourist numbers and are expected to continue doing so going forward, the first quarter 2022 results of the Hotels are above budget, so the Directors are confident that the Company remains viable. In addition, the above expectation has been tested under a variety of scenarios, including delays in the receipt of projected dividend income, and it has been determined that in such circumstances the Company has at its disposal actions that can be taken to ensure that sufficient cash resources will be available if necessary, such that the Company will be able to continue in operation and meet its liabilities as they fall due for the period under analysis. In making this assessment, the Board is conscious that the prolongation or escalation of the Russia-Ukraine conflict, a deterioration of the outlook for Cuba, the further strengthening of the U.S embargo, the resurgence of health and economic impacts of the pandemic, or changes in investor sentiment could have an impact on the accuracy of its assessment of the Company's prospects and viability in the future.

GOING CONCERN

In accordance with the guidance of the Financial Reporting Council, the Directors have reviewed the Company's ability to continue as a going concern.

The Directors are mindful of the principal and emerging risks and uncertainties disclosed on pages 8 to 14 and the Viability Statement on page 15. The Directors have reviewed cash flow projections that detail revenue and liabilities and will continue to receive cashflow projections as part of the full-year reporting and monitoring processes. The Directors believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and at least 12 months from the date of the approval of these Financial Satements.

Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements.

DIRECTORS' RESPONSIBILITIES

Stakeholder Engagement

Although the Company is domiciled in Guernsey, in accordance with the guidance set out in the AIC Code, the Directors describe in this Annual Report how the matters set out in Section 172 of the UK Companies Act 2006 have been considered in their board discussions and decision-making. This section therefore serves as the Company's section 172 statement and explains how the Directors have promoted the success of the Company for the benefit of its stakeholders as a whole during the financial year to 31 December 2021, taking into account the likely long-term consequences of decisions, the need to foster relationships with all stakeholders, the desire for high standards of business conduct, the impact of the Company's operations on the environment, and the need to act fairly as between shareholders of the Company.

The Role of the Directors

The Company is a closed-ended investment company, has no executive directors or direct employees and is governed by the Board of Directors. Its main stakeholders are Shareholders in the Company, the holders of Bonds issued by the Company ("Bondholders"), the Investment Manager, investee companies, service providers and the environment and community.

As set out in the Directors' Report, the Board has delegated day-to-day management of the assets to the Investment Manager and, either directly or through the Investment Manager, the Company has engaged key suppliers to provide services in relation to valuation, legal and tax requirements, auditing, company secretarial, depositary obligations and share registration, amongst others. All decisions relating to the Company's investment policy, investment objective, dividend policy, gearing, corporate governance and strategy in general are reserved to the Board. The Board meets quarterly and receives full information on the Company's performance, financial position and any other relevant information. At least once a year, the Board also holds a meeting specifically to review the Group's strategy.

The Board regularly reviews the performance of the Investment Manager, and its other service providers, to ensure they manage the Company, and its relations with its stakeholders, effectively and that their continued appointment is in the best long-term interests of the stakeholders as a whole.

Shareholders and Bondholders

The Board's primary focus is to promote the long-term success of the Company for the benefit of its stakeholders as a whole. The Board oversees the delivery of the investment objective, policy and strategy, as agreed by the Company's shareholders.

Shareholders and Bondholders are key stakeholders and the Board places great importance on communication with them. The Board welcomes all shareholder and Bondholder views and aims to act fairly on them. Through investment in the Company, the Board believes that the Company's shareholders seek exposure to Cuban real estate assets, substantial capital growth, a well-executed sustainable investment policy, responsible capital allocation and value for money.

The Investment Manager and the Company's broker regularly meet with shareholders, and prospective shareholders, to discuss Company initiatives and seek feedback. The views of shareholders and Bondholders are discussed by the Board at every Board meeting, and action is taken to address any concerns raised. The Board and the Investment Manager provide regular updates to shareholders and Bondholders and the market through the Annual Report, Half-Yearly Report, quarterly Net Asset Value announcements and its website.

In the event of any changes to strategy, the Board will proactively engage with major shareholders to determine their appetite for any such change. The Chairman offers to meet with key shareholders at least annually, and other Directors are available to meet shareholders as required. This allows the Board to hear feedback directly from shareholders. During the financial year to 31 December 2021, the Board members, and the Investment Manager, participated in several meetings with large shareholders to provide reports on the progress of the Company and receive feedback, which was then provided to the full Board.

The Company's AGM provides a forum, both formal and informal, for shareholders to meet and discuss issues with the Directors and Investment Manager of the Company. In normal circumstances, the Board encourages as many shareholders as possible to attend the Company's AGM and to provide feedback on the Company. In the event that the situation surrounding Covid-19 should affect the plans to hold the AGM on 16 June 2022 the Company will update shareholders through an announcement to the London Stock Exchange and will provide further details on the Company's website.

Investee Companies

Another key stakeholder group is that of the special purpose vehicles, joint venture vehicles, partnerships, trusts and other structures through which the Company invests. Representatives of the Company are appointed to the boards of the underlying investment vehicles and, acting in the best interests of the Company's stakeholders, influence management decisions to ensure that the investee companies are run in accordance with the Company's expectations.

The Board believes that the companies in which the Company invests would like a positive and trusting working relationship with the Investment Manager and the Board, sustainable and long-term investment, positive governance practices, and value creation for all stakeholders.

In addition to engagement with the investee companies, the Investment Manager works closely with the external hotel managers and managers of office complexes who are responsible for running the Company's properties. This allows the Investment Manager to fully understand the operational risks associated with the management of the Company's underlying assets. The Board oversees the Investment Manager's interactions with the investee companies and receives reports on engagement, interaction and revenue streams at every Board meeting.

Investment Manager

The Investment Manager's Report on pages 18 to 24 details the key investment decisions taken during the year and subsequently. The Investment Manager has continued to manage the Company's assets in accordance with the mandate provided by shareholders, with the oversight of the Board. The Board receives presentations from the Investment Manager at every Board meeting to help it to exercise effective oversight of the Investment Manager and the Company's strategy. The Board formally reviews the performance of the Investment Manager, and the fees it receives, at least annually. More details on the conclusions from the Board's review are set out on page 31.

Other Service Providers

The Board seeks to maintain constructive relationships with the Company's suppliers either directly or through the Investment Manager with regular communications and meetings. The Board, via the Management Engagement Committee, also ensures that the views of its service providers are considered and at least annually reviews these relationships in detail. The aim is to ensure that contractual arrangements remain in line with best practice, services being offered meet the requirements and needs of the Company and performance is in line with the expectations of the Board, Investment Manager and other relevant stakeholders. Reviews will include those of the company secretary, broker, share registrar and auditor.

The Community and the Environment

The Board and the Investment Manager are committed to investing in a responsible manner. There are a number of geopolitical, technological, social and demographic trends underway that can, and do, influence real estate investments – many of these changes fall under the umbrella of the Environment and Community, or Environmental, Social and Governance ("ESG"), considerations. As a result, the Investment Manager will integrate ESG factors into its investment decision-making and governance process.

The Board has instructed the Investment Manager to develop an appropriate ESG Policy and associated operational procedures and is committed to environmental management in all phases of the investment process. The status of this effort is described below in the section entitled Environmental Social Governance Strategy. The Company aims to invest responsibly, to achieve environmental and social benefits alongside returns.

Strategic Activity during the Year

The Chairman's Statement and Investment Manager's Report on pages 4 to 5 and pages 18 to 24, respectively, detail the key decisions taken during the year and subsequently. Notable actions where the interests of stakeholders were actively considered include:

- Dividend – with the ongoing inherent uncertainty surrounding the operation of many of the Company's assets, the payment of dividends continues to be suspended. The Board views the recommencement of the payment of dividends as a priority and the policy is kept under constant review.

- Convertible bond issue – On 31 March 2021, the Company successfully closed the issue of €25 million (US$29,312,500) 10% senior unsecured convertible bonds. The proceeds are being used by the Company to ensure the availability of funding for the completion of construction of the TosCuba project, as well as the advance of the new industrial logistics and warehouse project in the Special Development Zone of Mariel. During the year, the Company paid US$2,176,931 in interest to the Bondholders.

- Construction of TosCuba Project – the principal investment activity of the Company during the year was the ongoing construction of the Meliã Trinidad Península Hotel. Following the termination of the original turn-key construction contract (as a result of non-compliance by the constructor), the joint venture company took full direct control over the construction process and all purchasing decisions. During the second half of the year, new tendering rules and procedures were developed and implemented with the assistance of the foreign technical advisor. Construction continued throughout the year at a reduced pace, and subsequent to year-end the tempo of construction increased once again.

As set out above, the Board considers the long-term consequences of its decisions on its stakeholders to ensure the long-term sustainability of the Company.

INVESTMENT MANAGER'S REVIEW

2021 PERFORMANCE

The performance of CEIBA Investments Limited ("CEIBA" or the "Company") is largely dependent on the fair values of the properties in which it has an interest as calculated using discounted cash flow models by the independent RICS valuer Arlington Consulting – Consultadoria Imobiliaria Limitada, trading under the name Abacus ("Abacus"). As at 31 December 2021, the fair values of all of the assets in which CEIBA Investments has an interest decreased, mainly as a result of (i) a fall in projected income levels as a result of the continued effects of the Covid-19 pandemic and its negative impact on the Cuban tourism sector and the Cuban economy, (ii) the continuation under the Biden administration of President Trump's intensified Cuba embargo policies, and (iii) increased discount rates as a result of higher levels of perceived risk in the present circumstances, in particular as regards the liquidity issues faced by the country.

As at 31 December 2021, the Net Asset Value of the Company was US$160,322,589 (31 December 2020: US$194,425,614) and the NAV total return for the year was -17.5 % (2020: -6.0 %). The loss on the change in the fair value of the equity investments during the year was US$13,843,717 (2020: loss US$41,914,276). The total dividend income from the Cuban joint venture companies during 2021 was US$3,050,124 (2020: US$13,258,912). The net loss of the Company for 2021 attributable to the shareholders was US$28,811,901 (2020: US$19,808,620).

Entrance to the Havana harbour and Morro lighthouse

INTRODUCTION

If there are two things that I have in my DNA, they are positivism and looking at a brighter future instead of looking back.

After another difficult year, during which the country faced extremely challenging conditions, by November 2021 Cuba had demonstrated to the world that its home-grown Abdala and Soberana 2 vaccines were indeed effective in the fight against Covid-19 and that its country-wide vaccination program had been diligently implemented and resulted in rapidly falling numbers of new cases and fatalities, and once again these qualities took the upper hand and I thought that the Cuban economy had hit bottom and would begin rising to a brighter future.

But at the start of Cuba's high tourism season, just as Cuba was reopening its international borders and welcoming international travellers back to the island, the Omicron variant of the Covid-19 virus emerged in South Africa and rapidly spread throughout the world, causing a new wave of restrictive travel measures aimed at slowing the swift pace of infections produced by the new variant. These measures resulted in many travel cancellations from Canada (historically Cuba's most important source of tourists during the very important period from December to April each year). Despite this obvious setback, tourist numbers began to improve, with Russia joining Canada as one of the principal source markets. All of our hotels re-opened, occupancy levels and profitability started to increase, and I hoped that Cuba's precarious liquidity position would soon start to show signs of improvement!

However, once again positive momentum was short-lived.

When on 24 February 2022 Russia invaded Ukraine, all Russian (and Ukrainian) travel came to an abrupt halt and Cuba once again found itself facing the prospect of a difficult high season.

The general lack of liquidity within Cuba's economy during 2021, the continuation under the Biden administration of the strengthened Trump sanctions against Cuba and the present uncertainty regarding the timing of a tourism recovery have all taken their toll and have forced CEIBA to make downward adjustments to our asset valuations.

This has triggered that the 2021 year-end result of the Company is a net loss attributable to the shareholders of US$28,811,901. The outlook for 2022 will largely depend on how long the Russia-Ukraine conflict will last, how it will impact world politics and Cuba's important relationships, and its effect on international travel patterns and the recovery of Cuba's tourism industry. To a lesser extent, the coming year could also be further affected by the rise of any new variant of the Covid-19 virus.

In addition, starting in the final months of 2021 and continuing through to today, the Cuban banking system has experienced significant delays in the execution of payments instructed, even where such payments are made with the required "liquidity" in accordance with the new financial autonomy rules. This shows that the Cuban liquidity position is precarious, and this may make it more challenging to continue implementing its program of monetary reforms.

Monetary Reforms

Cuba's recent monetary reforms, announced in 2020 and implemented in 2021, eliminated Cuba's double currency and were undoubtedly planned on the basis of a projected improvement in the country's precarious liquidity position that was expected to result from a growing (not shrinking) economy. It introduced a fixed official exchange rate of 24 Cuban Pesos to 1 United States Dollar and was aimed primarily at improving financial discipline, transparency and accountability within Cuba's state-owned enterprises.

However, the events described above and the continuation of U.S. sanctions under the Biden administration (particularly those affecting family remittances and U.S. travel) that were widely expected to be relaxed, jointly had a negative impact on the liquidity position of the country and complicated the implementation of the reforms, provoking numerous distortions in both the private and foreign investment sectors.

In addition, the scarcity of hard currency income to pay for imported products, resulting in shortages of basic products for sale in local currency (CUP) shops, triggered significant inflation and a fall in the informal exchange rate so that by the end of 2021 the street rate of exchange had reached CUP75 to USD1, falling further to CUP 110 to USD 1 by 15 April 2022. By contrast, joint ventures, international airlines and all state-owned businesses were obliged to use the official rate of CUP24 to USD1, in turn provoking undesired monetary arbitrage.

The government has not signalled any future devaluation of the CUP and instead has argued that it hopes to close the discrepancy between the official and informal rates through increased national production and an improved supply of basic products in the CUP retail outlets.

By the end of 2021, the lack of liquidity in the economy also began to be noticeable in delays in the execution of international payments made under the financial autonomy rules, which in turn puts significant pressure on one of the principal objectives of the monetary reforms for foreign trade and investment, which is to guarantee financial autonomy and the repatriation of profits.

The Colony

In March 2022 I visited Finca El Rosillo, a small privately owned farm next to the main highway to Pinar del Rio Province where the owners produce a delicious honey made by bees that do not sting. The bees create their colonies in rotten tree trunks and protect them by sealing them off and leaving only a single entry and exit that is constantly guarded to protect the colony from its biggest enemy: hornets (that do sting). This seems to be a good metaphor for the short-term strategy of Cuba: seal all points of entry, grow the internal economy and avoid getting stung by hornets.

US Cuban Embargo – 60 Years Old

On 3 February 2022 the Cuban economy had endured 60 years under the U.S. embargo, it having been first adopted by President Kennedy in 1962 as Proclamation 3447 entitled Embargo on All Trade with Cuba, and having the main purposes of stopping the spread of communism and causing "hunger, desperation and overthrow of government." During the subsequent six decades, the legal measures creating the embargo have ebbed and flowed, gaining or losing strength in accordance with the prevailing political winds in Florida, but the negative impact on the island has been constant.

In its present form, subsequent to the adoption of the Helms-Burton Act of 1996, the U.S. embargo against Cuba is enshrined in law and can only be overturned by Congress, which would be no small feat in today's politically divided reality in the United States. The embargo prohibits trade between U.S. persons and Cuba, but its insidious negative effects also extend extra-territorially to a large number of valid and legitimate transactions between Cuba and its international partners, whether they be other sovereign governments or, most importantly for the Company, foreign investors who invest or trade on the island.

Following a significant relaxation of the embargo rules during the Obama administration, the Trump administration resumed a much harder line and returned the United States to a policy of strong aggression towards its smaller neighbour. So far, the Biden administration has not relaxed any of the harsher sanctions of the Trump era, notwithstanding his stated intent to do so expressed during the presidential campaign in 2020.

In early March 2022, it was announced that the U.S. Embassy in Havana would be re-staffed and would resume a certain number of direct consular services in Havana. The expectation remains that some easing of the present sanctions will be forthcoming, most likely in the areas of family remittances and the facilitation of travel between the U.S. and Cuba.

Conflict in Ukraine

In February 2022, Russia invaded Ukraine. Both countries are traditional allies of Cuba and both were important sources of tourists for the island during parts of the pandemic and especially from the full reopening of the Cuban tourism sector in November 2021 until the outbreak of the war. In January and February 2022, Russian travellers were amongst the largest groups of tourists to the island, roughly equal to Canada, which usually is the leading source of travellers. The war has resulted in the cancellation of most direct flights between Russia and Cuba, representing a further blow to the Cuban tourism industry, already hard hit by two years of pandemic-related hotel closures and travel restrictions. It remains unclear at present whether Russian tourism to the island will rebound or whether other markets will be able to make up the shortfall. The war in Ukraine is also expected to have other indirect impacts on the Cuba economy in areas such as the price of oil, shipping costs and the availability of ships to Cuba (especially from Europe). Russian investments on the island may be affected, as well as banking relationships.

PORTFOLIO ACTIVITY

The Miramar Trade Center / Monte Barreto

The Miramar Trade Center office complex as seen from the Meliã Habana Hotel

The largest real estate holding of the Company is its 49% interest in Inmobiliaria Monte Barreto S.A. ("Monte Barreto"), the Cuban joint venture company that owns and operates the Miramar Trade Centre, a six-building mixed-use commercial real estate complex comprising approximately 56,000 square metres (approximately 600,000 square feet) of net rentable area that constitutes the core of the new Miramar business district in Havana.

Occupancy rates remained largely stable throughout the year, declining a modest 1.6% from 98.2% at the beginning of the year to 96.6% at year-end. The property suffered a small number of departures relating to the pandemic, and the market has tightened somewhat. Revenues declined by 3.6% compared to the prior year as a result of the lower occupancy rate and modest rent incentives granted. However, Monte Barreto registered net income of US$15.6 million during the year (2020: US$14.4 million), representing an 8.5% increase over the prior year and a new record for annual profit. The increase was primarily the result of savings resulting from the monetary reforms implemented during the year, including reduced operational expense (mainly salary and electricity costs).

Demand for international-standard office accommodation in Havana remains strong, predominantly from multi-national companies, NGOs and foreign diplomatic missions. Monte Barreto remains the market leader. As a consequence, the operational outlook for Monte Barreto in 2022 remains positive, as we expect occupancy levels to remain in the high nineties throughout the coming year. However, in light of the present market conditions, which remain uncertain – particularly as regards liquidity – the joint venture is applying its general strategy of rental increases as leases are renewed on a case by case basis.

In accordance with the new provisions of Resolution 115 dealing with financial autonomy and the allocation of hard currency resources, commercial real estate activities have been excluded from some of the general rules relating to "liquid" payments (the ability to transfer funds abroad on an autonomous basis, without foreign exchange controls), and consequently the local payments of many tenants of the joint venture are presently not received with liquidity and conversely most local payments to be made by the joint venture are similarly not made with liquidity. As a result, the joint venture is presently operating under a mixed regime having reduced liquidity requirements, in which certain liquid resources of the joint venture are generated internally through operations, and certain resources are allocated centrally.

Given the present limited financial autonomy of Monte Barreto, in combination with the current economic situation and liquidity difficulties faced by the country, Monte Barreto did not have sufficient liquid resources (whether generated internally or allocated centrally) to pay significant dividends payable to the Company during the past year. Management is currently discussing potential solutions for the liquidity issues of Monte Barreto with the relevant Cuban authorities and pending agreement and implementation of such a solution accumulated profits remain in the joint venture company. In addition to the above, hard currency transfers made by Cuban banks are presently experiencing delays. Dividend income recorded by the Company from Monte Barreto during the year was US$2.6 million, compared to US$6.9 million in 2020. Due to the uncertainty on the timing of payment of the dividends owed to the Company by Monte Barreto, the Company has made a provision in its financial statements in the amount of US$12,281,408 representing the outstanding dividends receivable from Monte Barreto.

The valuation of Monte Barreto has been adjusted downward at 31 December 2021 by US$13.7 million to US$67.7 million, representing a 16.9% decline as compared with the December 2020 valuation. This was driven mainly by an increase in the discount rate to 12.8% (2020: 9.8%) applied in the discounted cash flow model of Monte Barreto in order to take into account the disruption to the Cuban economy caused by the Covid-19 pandemic, continued U.S. aggressive measures and the increased liquidity, transfer and currency risks faced by Monte Barreto and its shareholders.

We expect these headwinds to remain present throughout 2022 and, as a result, we believe that only part of the presently outstanding dividends will be paid during the current year. Nevertheless, we believe that the pace of distribution of dividends will pick up once again when the country re-emerges from the present difficulties, which is not likely to occur until 2023.

The Hotels of Miramar

The Hotels of Miramar (clockwise from top left: the Meliã Habana, Meliã Las Américas, Sol Palmeras and Meliã Varadero Hotels)

Through its indirect ownership of a 32.5% interest in Miramar, the Group has interests in the following hotels:

- the Meliã Habana Hotel, a 397-room international-category 5-star business hotel located on prime ocean-front property in Havana (directly opposite the Miramar Trade Center);
- the Meliã Las Americas Hotel, a 340-room international-category 5-star beach resort hotel located in Varadero;
- the Meliã Varadero Hotel, a 490-room international-category 5-star beach resort hotel located in Varadero; and
- the Sol Palmeras Hotel, a 607-room international-category 4-star beach resort hotel located in Varadero.

The Hotels are operated by Meliã Hotels International S.A. (“Meliã Hotels International”), which also has a 17.5% equity interest in Miramar (and a 10% equity interest in TosCuba).

Performance of the Hotels

As a result of the Covid-19 pandemic and the resulting collapse of the worldwide travel industry, the Hotels once again faced an extremely challenging business environment in 2021. While the Sol Palmeras and the Meliã Habana hotels were able to maintain services throughout the year, occupancy and room rates were reduced. The Meliã Las Americas and Meliã Varadero hotels resumed operations towards the end of the year (in November and December 2021, respectively) following the formal reopening of the Cuban tourism industry in November 2021.

With two of its hotels closed throughout most of the year and the other two operating at very low levels, together with the one-time foreign exchange expense of US$5.4 million relating to the conversion of monetary assets under the monetary reforms, the net loss after tax of Miramar was US$9.6 million (2020: net loss of US$3.5 million). This also resulted in lower dividend income earned by the Company from Miramar during the year of US$500 thousand, compared to US$6.3 million in the prior year.

All four of the Hotels of Miramar are presently operating under volatile and unpredictable market conditions. We believe that the Hotels are presently in a very strong competitive position within the Cuban market, given that two of the four operated throughout the year and consequently Miramar has a stronger working capital position and other operational advantages over competitors. However, since the formal re-opening of the Cuban tourism sector in November 2021 (following the success of the Cuban vaccination and other public health efforts to control the pandemic), the subsequent arrival of the Omicron variant in December 2021, closely followed by the Russian invasion of Ukraine, have once again affected the most important outbound tourism markets for Cuba: Canada, Western Europe and Russia. The outlook for 2022 remains uncertain and will depend on numerous factors external to Cuba, including in particular the recovery of international travel patterns and the availability of airlift.

Once hotel operations return to normal as the world emerges from the Covid-19 pandemic and international travel and tourism markets recover from the disruption suffered over the last two years, we expect the liquid resources directly generated by the operations of Miramar under the new liquidity rules to be more than sufficient to allow Miramar to distribute dividends.

The valuation of Miramar has been adjusted downwards at 31 December 2021 to US$94.5 million (2020: US$103.2 million), representing a 9.2% decline. This was driven mainly by an increase in the discount rates applied in the discounted cash flow models of the Hotels in order to take into account the disruption to the Cuban tourism industry caused by the Covid-19 pandemic and the uncertain timing of recovery, continued U.S. aggressive measures, as well as a slightly more conservative approach to the recovery of occupancy rates as the world emerges from the pandemic.

The TosCuba Project

TosCuba Hotel views (clockwise from top left: views of south patio, pool pump room and interior gardens)

The Company has an 80% interest in Mosaico Hoteles S.A. ("Mosaico Hoteles"), representing a 40% indirect interest in TosCuba, the Cuban joint venture company that is constructing the 401 room Meliã Trinidad Península Hotel.

As at 31 December 2021, all structural works (including windows and roofing) had been substantially completed and electric, plumbing and air-conditioning works had started. The building process has been progressing slowly since the beginning of the Covid-19 pandemic in March 2020 but is now expected to be completed within the next twelve months.

During the first months of 2021 the joint venture, under the leadership of Mosaico Hoteles, undertook a full review and reorganisation of the hotel construction process, which resulted in the termination of the turnkey construction contract with the Cuban-Italian construction partnership (with effect from 30 June 2021) and the renegotiation and increase of existing finance arrangements. TosCuba has now taken full control over the site as well as all stored materials and equipment, and will now complete the construction of the hotel on its own, with technical assistance on pricing, tender procedures and product selection from International Hospitality Projects S.L., a Spanish construction adviser in the hotel sector. Under the new structure, significant progress was made in the second half of 2021 in the tendering and execution of major supply arrangements, and the pace of construction is now ramping up once again to pre-pandemic levels. It is now estimated that construction of the hotel will be completed by the first quarter of 2023.

In April 2018, the Company arranged and executed a US$45 million construction finance facility to be disbursed under two tranches of US$22.5 million each. The terms of the facility were amended in August 2021 to take into account the new construction process and other circumstances. At 31 December 2021, the Company's full participation in the first tranche (Tranche A) in the amount of US$18 million (2020: US$16.1 million) was fully disbursed, and the amount of US$709 thousand was disbursed under the second tranche (Tranche B), the maximum principal amount of which was increased to US$29 million under the August 2021 amendment to the facility. The increased principal of Tranche B includes an amount of US$4 million that may be used for the purchase of equipment needed by the relevant Cuban utility companies to ensure the provision of the required water and electrical services to the hotel.

Repayment of the amended facility is secured by the future income of the hotel, and repayment of Tranche B has also been guaranteed by Cubanacán (the Cuban shareholder in the joint venture company) and is further secured by Cubanacán's dividend entitlements in Miramar.

The total cost of the project – including incorporation of the joint venture company, acquisition of surface rights, construction of the hotel, financing for the acquisition of equipment necessary to guarantee the proper functioning of public utilities and start-up costs – is presently estimated at US$78.8 million. Of this amount, US$16 million represents the share capital invested in TosCuba by the shareholders, of which the Company contributed US$6.4 million (40%), more than US$11.2 million represents grants received under the Spanish Cuban Debt Conversion Programme, and US$4 million represents finance to be granted to third parties (which will be repaid). The remaining funds necessary to complete the project will be disbursed under the construction finance facility.

Grupo B.M. Interinvest Technologies Mariel S.L.

Rendering of the GBM Mariel Project

In December 2020, the Company formalised its participation in a new multi-phase industrial park real estate project to be developed in the Special Development Zone of Mariel, Cuba by acquiring a 50% interest in GBM Interinvest Technologies Mariel S.L., the Spanish company that is developing the project.

Groundworks on the 11.3-hectare site for the construction of the first four warehouses of the project began in the first quarter of 2021 and were completed in June 2021. Discussions with potential tenants are currently being pursued with a view to coordinating the start of construction works with the existence of real demand.

The Company paid an initial amount of US$303,175 for its 50% interest entered into a Convertible Loan Agreement in the principal amount of €500,000 (US$566,316) during the course of 2021. The full investment of the Company in this project is expected to be approximately US$1.5 million.

FINTUR Facility

Since 2002, the Company has arranged and participated in numerous secured finance facilities extended to Casa Financiera FINTUR S.A. ("FINTUR"), the Cuban government financial institution for the tourism sector. Under the most recent FINTUR Facility, originally executed in 2016 in the principal amount of €24 million and subsequently amended in 2019 through the addition of a second tranche in the principal amount of €12 million, the Company initially held a €4 million participation under Tranche A and a €2 million participation under Tranche B.

This facility generates an 8.00% interest rate and operated successfully without delay or default until the closure of all Cuban hotels in March 2020 as a result of the Covid-19 pandemic. At that time, the income from the hotels that serve as the basis for payments under the FINTUR facility ceased and such income is not expected to resume until Cuba's international tourism operations recover in earnest.

With effect from 1 April 2020, the Company and FINTUR agreed to revise the remaining outstanding payments under the FINTUR facility (combining the two tranches into a new single tranche C) and to provide a one-year period of grace on the payment of principal, with a two-year principal payment period thereafter. The principal payments of the new Tranche C falling due on 30 June 2021, 30 September 2021 and 31 December 2021 were subsequently waived by the lenders as a result of the continued closure of the hotels serving as security for payment of the facility, with the waived principal payments being added to subsequent payments without extending the term.

As at 31 December 2021, the principal amount of US$1,943,760 was outstanding under the Company's participation in Tranche C of the Facility.

Only one of the hotels granted as security for the repayment of the FINTUR facility is open at the present time, although FINTUR has transferred funds from other sources to pay all outstanding interest on a current basis throughout the pandemic and for the principal payment made on 31 March 2022. The Investment Manager meets regularly with FINTUR in order to gauge the speed with which the cash flows are likely to return to acceptable levels and to determine whether any additional hotel security should be received.

OUTLOOK

We expect that, as a result of the Covid-19 pandemic, the high level of U.S. sanctions against Cuba and the ongoing transitional effects of monetary and economic reforms adopted by the Cuban government, the very difficult economic circumstances faced by the country throughout 2021 will continue in 2022, and that the local market conditions in which the Company and the joint venture companies in which it holds interests operate will remain very challenging. The very tight hard currency position of the Cuban economy resulting from the above factors is also likely to continue having a negative impact on the timing of dividend and other payments to the Company in the short term.

We expect that the timing of a recovery in Cuba will depend on a number of external factors, including the duration of the war in Ukraine, the actions of the U.S. government and the evolution of world travel markets in the face of the pandemic. Internal factors such as the government's ability to adhere to the planned reform program will also play an important role.

As the world continues to recover from the pandemic, we expect that international leisure travel will increase once again and that the four Miramar Hotels, which are all presently operating, will gradually return to normal levels of occupancy and performance. In addition, it is expected that the Meliã Trinidad Península Hotel will be completed and will begin operations in the first quarter of 2023.

We expect the operational performance of Monte Barreto to remain strong in 2022, although the timing of payment of the resulting dividends will remain uncertain in the short term and we believe that only part of the dividends to be generated in favour of the Company will be paid during the current year. Nevertheless, we believe that the pace of distribution of dividends will pick up once again when the economic headwinds presently affecting the country subside, which is not likely to occur until 2023.

We believe that Cuba's liquidity position, which we monitor closely, will continue to be weak in the short term, but we do anticipate that over the medium term the country's foreign currency reserves will improve. In addition, the new monetary reforms and liquidity rules adopted by the Cuban government will eventually have a positive effect on the Cuban economy as well as on the operations of the joint venture companies of the Company. As a result of these new measures, and in particular the de-centralisation of decision-making that they mandate, management of the joint ventures is expected to have improved control over their hard currency payments and the ability to make timely distributions to shareholders.

Sebastiaan A.C. Berger
Aberdeen Asset Investments Limited
28 April 2022

ENVIRONMENTAL SOCIAL GOVERNANCE (ESG) STRATEGY

The 17 sustainable development goals (SDGs) to transform our world

INTRODUCTION

The Investment Manager is committed to develop a proposal for the Environmental Social Governance (ESG) Strategy to be approved and implemented by the Company going forward. During the past two years, the implementation of this effort was delayed by the Covid-19 pandemic and the resulting travel restrictions and closing of Cuba's international borders. Although at present the Company does not have an explicit, detailed written ESG Strategy, de facto CEIBA has taken significant steps in each of the three areas of such a strategy. The actions of elaborating, discussing and adopting a formal ESG Strategy will allow the Company to build a mutual understanding around the expectations of its stakeholders in relation to CEIBA's ESG Strategy, which in turn should also have a positive effect on the Company's financial sustainability.

In parallel with obtaining input regarding strategic goals from the Board, the Investment Manager, ESG specialists and other third parties, an analysis will be carried out with respect to the Company and its assets. The principal goal of the Investment Manager is to present and table the formal ESG Strategy of CEIBA to the Board for approval during the current year. The Board considers that embedding an appropriate ESG Strategy is one of the factors that will drive the long-term value creation within CEIBA.

In short, we believe that by having a proper ESG Strategy in place, the Company will add a formal ESG framework as one of the drivers for long-term sustainable financial returns and adequately manage environmental, social, and governance factors as both risks and opportunities.

APPROACH

As stated above, during the present year an analysis will be carried out on the general status of ESG factors within the Company, its subsidiaries and assets. Along with the above and the wider review of the ESG context in Cuba, this should enable the Company to determine key ESG topics for focus. The Investment Manager will also explore the possible use of third parties to periodically assess the ESG performance of the underlying assets and the monitoring of sustainability action plans. As a result, the Company will produce a draft ESG Policy and Approach that will be presented for approval to the Company's shareholders.

ESG STRATEGY & IMPLEMENTATION

In order to set the ESG policy and approach for the Company, it is important to understand the backdrop of ESG issues within Cuba and the current legislative frameworks and how they might impact the investments of the Company, now and in the future. It will also enable both the Company and its shareholders to understand the ESG performance within Cuba and align the ESG approach with both the wider context and the Investment Manager's best practice approach. What follows is a summary overview of Cuba and how it performs in all the areas that are taken into account in performing an ESG analysis.

Our general conclusion is that there are a large number of areas in which Cuba's performance stands out in a positive way, especially compared to other Latin American and Caribbean countries, but there are other areas where its ESG results are weaker, particularly in the single-party political system and its low score on questions of political rights and civil liberties. Over the last 27 years, Cuba has made a large number of small steps forward, as well as some steps back. More recently it would appear that bigger steps forward are being taken, including the adoption of a new Constitution, the introduction of new legislation that regulates ongoing reforms, private enterprise and initiatives, monetary reforms (including currency unification), and the significant roll out of internet services, U.S. Dollar bank accounts and private import-export rights. In December 2021 a draft Family Code was presented for consultation that allows same-sex marriage and permits same-sex couples to adopt children. At the same time, a draft Penal Code and Criminal Enforcement Law was presented that include provisions related to gender-based violence. And at the beginning of 2022, Cuba opened its first two hotels that are specifically geared toward members of the LGBTQ+ community.

ESG TOPIC		MEASURE	PERFORMANCE
Anti-Money Laundering	G	FATF	Cuba is FATF compliant Cuba is a member of the Financial Task Force of Latin-America, GAFILAT, the purpose of which is to work toward developing and implementing a comprehensive global strategy to combat money laundering and terrorist financing as set out in the FATF Recommendations
Transparency	G	Transparency International's Corruption Perception Index	In 2021, Cuba had a score of 46 points (out of 100) and ranked 64th of 180 countries globally
Climate Change	E	Paris Climate Change Agreement	Cuba has ratified its commitment to decarbonize its economy by 2050 In 2016, Cuba officially ratified the Paris Agreement on Climate Change. Cuba also ratified the Doha Amendment to the Kyoto Protocol, adopted in December 2012 and the 2030 Agenda for Sustainable Development In 2020, Cuba was the 13th country to submit its nationally determined contribution (NDC). The updated NDC, which has a ten-year time frame from 2020-2030, outlines Cuba's strengthened climate change mitigation and adaptation of policies and actions
Sustainable Development	E, S	2030 Agenda for Sustainable Development	Adoption of the 17 UN SDGs with the commitment to eradicate poverty and achieve sustainable development by 2030 world-wide
Poverty and Nutrition	S	Multidimensional Poverty Index	Cuba is in the top five countries in the world with the lowest value
		Hunger and Malnutrition Index	Cuba is ranked amongst the first 17 countries to reduce the Hunger and Malnutrition Index on a sustained basis for several years
Gender equality	S	Article 42 of the Cuban Constitution	"All people are equal before the law, receive the same protection and treatment from the authorities, and enjoy the same rights, liberties, and opportunities, without any discrimination for reasons of sex, gender, sexual orientation, gender identity, age, ethnic origin, skin color, religious belief, disability, national or territorial origin, or any other personal condition or circumstance that implies a distinction injurious to human dignity."
		Article 43 of Cuban Constitution	"Women and men have the same rights and responsibilities in the economic, political, cultural, labour, social, family and all other spheres. The state guarantees that both are offered the same opportunities and possibilities."
		Parliamentary seats in the Cuban National Assembly	As of 2015, women held 48.9% of the parliamentary seats in the Cuban National Assembly, ranking 6th of 162 countries on issues of female participation in political life.
		Gender inequality index	In 2018, Cuba ranked number 67 out of 189 countries on the Gender Inequality Index, above almost all Latin American and Caribbean countries

ESG TOPIC		MEASURE	PERFORMANCE
Homicide and Drugs	S	Homicide Monitor	Cuba has one of the lowest homicide rates in the Western Hemisphere
		United Nations Office on Drugs and Crime (UNODC)	Cuba reported 4.99 deaths per 100,000 in 2016, which put the country in the top three countries in Latin America and the Caribbean with the lowest homicide rate, lower than the global average, and less than a third of the rate in the Americas
Terrorism	G, S	U.S. Department of State	Notwithstanding the fact that in its 2020 Cuba Crime and Safety Report the U.S. State Department's Overseas Security Council (OSAC) had assessed Cuba as being a low-threat location for terrorism (directed at or affecting official U.S. government interests) on 11 January 2021, the outgoing Trump administration designated Cuba as a "State Sponsor of Terrorism"
Rule of Law and Democracy	G	United Nations human rights conventions	Cuba is a signatory to 11 of the 18 conventions and has ratified eight of them
		The International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights	Cuba has not ratified this covenant
LGBT rights	S	Military stance	Homosexuals can serve openly in Cuba's military
		Same-sex marriage	Not explicitly included in Cuba's new Constitution. In December 2021, Cuban law makers approved the draft of a new Family Code. Following public consultations the final text of the new Family Code is scheduled to be adopted in the Summer of 2022. The draft Family Code allows same-sex marriage and permits same-sex couples to adopt children
		Sex-reassignment surgery	Legal since 2008 – surgeries that are performed in Cuban state hospitals are performed as part of Cuba's free healthcare system
Labour	G, S	Foreign workers	Work- and residency permits are required and issued for periods of up to five years.
		Cuban and permanent resident employees	Labour contracted through (State-owned) employment agencies. Contracting companies pay (in Cuban Pesos) salaries, taxes and social security contributions. Individual persons are approved on a case-by-case basis. Work regime of eight hours per day, 44 hours per week and 190.6 hours per month.

In 2020 Cuba was the 13th country to submit its nationally determined contribution ("NDC"). The updated NDC, which has a ten-year time frame from 2020-2030, outlines Cuba's strengthened climate change mitigation and adaptation policies and actions. The NDC prioritizes the energy and the Agriculture, Forestry, and Other Land Use ("AFOLU") sectors, and notes that mitigation actions will require financial support in technology transfer and capacity building. The NDC builds on Cuba's 2017 state plan to confront climate change, known as the 100-year plan, '*Tarea Vida*' (Life Task) – a roadmap that includes a ban on new home construction in potential flood zones, the introduction of heat-tolerant crops to cushion food supplies from droughts, and the restoration of Cuba's sandy beaches to help protect the country against coastal erosion. It also notes that Cuba's Constitution of 2019 explicitly mentions the goal of responding to climate change through, among others, "the eradication of irrational patterns of production and consumption." Although the updated NDC still lacks a binding greenhouse gas (GHG) emission reduction target, in the energy sector, Cuba commits to:

- generate 24% of electricity from renewable sources by 2030, to avoid the emission of an estimated 30.6 million kilotons of carbon dioxide equivalent (ktCO2eq);
- to increase energy efficiency in commercial, institutional, residential, and agriculture sectors, to avoid the emission of an estimated 700,000 ktCO2eq; and
- to reduce carbon-intensive ground transportation, to avoid the emission of an estimated one million ktCO2eq annually, by cutting fossil fuel consumption in vehicles by 50% by 2030.

In the AFOLU sector, Cuba has committed itself, inter alia, to increase its forest coverage to 33%, or by 165,000 hectares, in the period 2019-2030, removing 169.9 million tons of atmospheric CO2. In the agricultural sector, Cuba plans to install 5,000 solar pumping systems by 2030 for livestock and irrigation. In the swine sector, Cuba commits to 100% treatment of waste waters in order to reduce an estimated 8 million ktCO2eq in emissions annually in the period 2020-2030.

THE BOARD OF DIRECTORS

The current Directors' details, all of whom are non-executive and are considered by the Board to be independent in character, are set out below. The Directors supervise the management of CEIBA Investments Limited and represent the interests of shareholders.

JOHN HERRING
Status: Non-Executive Chairman of the Board, Chairman of the Management Engagement Committee
Length of service: 12 years, appointed on 12 November 2009
Experience: John qualified as a Chartered Accountant in 1982. In 1986, John joined the corporate finance department of Kleinwort Benson, where he was involved in the IPOs on the LSE for several companies. In 1996 he established his own private equity advisory business and joined the boards of a number of public and private companies including JD Wetherspoon plc where he became deputy chairman and served as a non-executive director for 14 years.
Last re-elected to the Board: 17 June 2021
Committee membership: Management Engagement Committee (Chairman)
Remuneration: £40,000 (US$53,908) per annum
All other public company directorships: None
Employment by the Investment Manager: None
Other connections with Investment Manager: None
Shared Directorships with any other Directors: None
Shareholding in Company: 40,000 Ordinary Shares, held indirectly representing 0.03 per cent. of the existing issued share capital of the Company. John also acts as a Consultant to Northview Investment Fund Limited which currently owns 37,862,018 Ordinary Shares representing 27.50 per cent. of the existing issued share capital of the Company.
Contribution: The Board has reviewed John's contribution in light of his proposed re-election as a Director at the AGM. The Board has concluded that John continues to chair the Company effectively, fostering a collaborative spirit between the Board and Investment Manager, whilst ensuring that meetings remain focused on key areas of stakeholder relevance.

TREVOR BOWEN
Status: Independent Non-Executive Director, Chairman of the Audit Committee
Length of service: 3 years and 10 months, appointed on 18 June 2018
Experience: Trevor has over 30 years' experience spanning a variety of industries. Trevor spent 11 years as a partner of KPMG and 17 years as a partner of Principle Management managing artists in the music industry. Trevor has acted as a non-executive director on a number of boards, most notably as a director on the board of Ulster Bank for nine years, which included six years as the Chairman of its Audit Committee. He is an Irish national and a Chartered Accountant.
Last re-elected to the Board: 17 June 2021
Committee membership: Management Engagement Committee, Nomination Committee and Audit Committee (Chairman)
Remuneration: £40,000 (US$53,908) per annum
All other public company directorships: Kennedy Wilson Inc, Round Hill Music Royalty Fund Limited.
Employment by the Investment Manager: None
Other connections with Investment Manager: None
Shared Directorships with any other Directors: None
Shareholding in Company: 43,600 Ordinary Shares held indirectly representing 0.03 per cent. of the existing issued share capital of the Company.
Contribution: The Board has reviewed Trevor's contribution in light of his proposed re-election as a Director at the AGM. The Board has concluded that Trevor has chaired the Audit Committee effectively and continues to provide significant financial and risk management insight to Board discussions.

KEITH CORBIN
Status: Independent Non-Executive Director, Chairman of the Nomination Committee
Length of service: 3 years and 10 months, appointed on 18 June 2018
Experience: Keith is Executive Chairman of Nerine International Holdings Limited, a network of trust and fiduciary services companies which is a wholly owned subsidiary of PraxisIFM Group Limited, and serves as a director of a number of regulated financial services companies. Keith is an Associate of the Chartered Institute of Bankers (ACIB) and a Member of the Society of Trust and Estate Practitioners (STEP).
Last re-elected to the Board: 17 June 2021
Committee membership: Management Engagement Committee, Nomination Committee (Chairman) and Audit Committee
Remuneration: £35,000 (US$47,170) per annum
All other public company directorships: None
Employment by the Investment Manager: None
Other connections with Investment Manager: None
Shared Directorships with any other Directors: None
Shareholding in Company: None
Contribution: The Board has reviewed Keith's contribution in light of his proposed re-election as a Director at the AGM. The Board has concluded that Keith continues to provide significant insight to the Board and knowledge of the investment management sector and continues to chair the Nomination Committee effectively.

PETER CORNELL
Status: Senior Independent Director – Non-Executive
Length of service: 3 years and 10 months, appointed on 18 June 2018
Experience: Peter is a founding partner of Metric Capital, a pan-European special situations fund. He is a Non-Executive Director of a number of companies including PA Digital, Schroders (C.I.) Limited and Grant Thornton (C.I.) and a member of the International Advisory Board of the Madrid Business School. Previously he was Global Managing Partner of Clifford Chance until 2006. During his tenure with Clifford Chance his roles also included managing partner for Spain and Continental Europe. He then became managing director of Terra Firma, a European private equity firm until 2011.
Last re-elected to the Board: 17 June 2021
Committee membership: Management Engagement Committee and Nomination Committee
Remuneration: £35,000 (US$47,170) per annum
All other public company directorships: None
Employment by the Investment Manager: None
Other connections with Investment Manager: None
Shared Directorships with any other Directors: None
Shareholding in Company: 100,000 Ordinary Shares held indirectly representing 0.07 per cent of the existing issued share capital of the Company.
Contribution: The Board has reviewed Peter's contribution in light of his proposed re-election as a Director at the AGM. The Board has concluded that Peter is an effective Senior Independent Director and his contribution to the Board, from an industry, legal and corporate governance perspective, has been invaluable.

COLIN KINGSNORTH
Status: Non-Executive Director
Length of service: 20 years, appointed on 10 October 2001
Experience: Colin is a partner and director of Laxey Partners Limited, a UK-based active value investment firm focusing on closed-end funds and property investments. Colin previously worked for Robert Fleming Asset Management, headed the investment trust research at Olliff & Partners and managed the emerging markets fund of Buchanan Partners Limited. In 1995, Colin co-founded Regent Kingpin Capital Management. In 1997, he founded Laxey Partners Ltd with Andrew Pegge. Since then Laxey Partners Ltd has become a prominent active value investor focusing on closed-ended funds and property investments. Colin holds a BSc in Economics and is a CFA Charterholder.
Last re-elected to the Board: 17 June 2021
Committee membership: Management Engagement Committee
Remuneration: £35,000 (US$47,170) per annum
All other public company directorships: None
Employment by the Investment Manager: None
Other connections with Investment Manager: None
Shared Directorships with any other Directors: None
Shareholding in Company: Colin is a director of Ursus Capital Limited which owns 12,252,338 Ordinary Shares representing 8.8997 per cent of the issued share capital of the Company.
Contribution: The Board has reviewed Colin's contribution in light of his proposed re-election as a Director at the AGM. The Board has concluded that Colin continues to be an effective Director, providing support and challenge to the Investment Manager on behalf of all shareholders.

JEMMA FREEMAN
Status: Independent Non-Executive Director
Length of service: 7 months, appointed on 1 October 2021
Experience: Jemma is the Executive Chair of Hunters & Frankau Limited, the appointed distributor for Habanos S.A.'s cigar portfolio in the United Kingdom. She joined the business of Hunters & Frankau in 2002, was appointed Managing Director in 2008 and Executive Chair in 2019. Before going into the cigar business Jemma was a Strategic Planner in the advertising industry. She currently holds the position of Vice Chair of ITPAC, an Advisory Council established to support the tobacco trade in the United Kingdom. In 2013, Jemma was named "Habanos Man of the Year", one of the most prestigious and illustrious prizes in the cigar world. Jemma also acts as a Trustee of a Cancer charity focused on immunotherapy research.
Appointed to the Board: 1 October 2021
Committee membership: Audit Committee and Nomination Committee
Remuneration: £35,000 (US$47,170) per annum
All other public company directorships: None
Employment by the Investment Manager: None
Other connections with Investment Manager: None
Shared Directorships with any other Directors: None
Shareholding in Company: None.
Contribution: The Board considers that Jemma brings a wealth of experience, skills and diversity to the Board, complementing those of the existing directors.

DIRECTORS' REPORT

The Directors present their Report and the audited Consolidated Financial Statements for the year ended 31 December 2021.

The investment objective and purpose of the Company is to provide a regular level of income and substantial capital growth. The Company is a country fund with a primary focus on Cuban real estate assets. The Company seeks to deliver the investment objective primarily through investment in, and management of, a portfolio of Cuban real estate assets, with a focus on the tourism-related and commercial property sectors. A description of the activities for the Company for the year under review is provided in the Chairman's Statement on pages 4 to 5 and the Investment Manager's Review on pages 18 to 24.

STATUS

The Company is a Guernsey company which was incorporated on 10 October 1995 with registered number 30083. With effect from 11 September 2018, the Company became a Registered Closed-ended Collective Investment Scheme pursuant to The Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended and the Registered Collective Investment Schemes Rules 2018 issued by the Guernsey Financial Services Commission.

The Company invests either directly or through holdings in special purpose vehicles, joint venture vehicles, partnerships, trusts or other structures. As at 31 December 2021, the Group held the following interests in joint venture companies and other investments in Cuba:

- an indirect 49% interest in Inmobiliaria Monte Barreto S.A., which is the Cuban joint venture company that owns and operates the Miramar Trade Centre, a 56,000m2 mixed-use office and retail complex in Havana;
- an indirect 32.5% interest in Miramar S.A., which is the Cuban joint venture company that owns the Meliã Habana Hotel and the Varadero Hotels;
- an indirect 40% interest in TosCuba S.A., which is the Cuban joint venture company that owns and is constructing the Meliã Trinidad Península Hotel; and
- an indirect 50% interest in Grupo B.M. Interinvest Technologies Mariel S.A., a Spanish company that is developing the industrial logistics project in the Special Development Zone of Mariel.

The Directors are of the opinion that the Company has conducted its affairs from 1 January 2021 to 31 December 2021 as a registered collective investment scheme, so as to comply with the Registered Collective Investment Scheme Rules 2018.

The Directors, having considered the Group's objectives and available resources along with its projected income and expenditure, are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. The Directors are closely monitoring the latest market developments relating to Covid-19 and any possible future impact on the Group's investment portfolio and financing arrangements, and following enquiries with the Group's property advisors, the Directors remain confident that the going concern basis remains appropriate in preparing the consolidated financial statements.

RESULTS

Details of the Company's results are shown on pages 47 to 50 of this Report.

CAPITAL STRUCTURE AND ISSUANCE

The Company's capital structure is summarised in note 13 to the financial statements.

At 31 December 2021, there were 137,671,576 fully paid Ordinary Shares (2020: 137,671,576) in issue.

On 31 March 2021, the Company completed the issue of €25,000,000 10% senior unsecured convertible bonds ("Bonds"). The Bonds were listed on The International Stock Exchange (Channel Islands) on 13 April 2021. Interest payments on the Bonds take place on a quarterly basis and early redemption of the Bonds by the Company, in whole or in part, is possible in principal amounts of €2,500,000 as from the third anniversary of the issue date.

VOTING RIGHTS

Shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary Shares carry a right to receive dividends. On a winding up, after meeting the liabilities of the Company, the surplus assets will be paid to shareholders in proportion to their shareholdings.

Holders of the Bonds are not entitled to attend or vote at meetings of the Company.

MANAGEMENT AGREEMENT

On 31 May 2018, the Company entered into the Management Agreement under which ASFML was appointed as the Company's alternative investment fund manager to provide portfolio and risk management services to the Company. The Management Agreement took effect on 1 November 2018. ASFML has delegated portfolio management to AAIL. Both AFSML and the AAIL are wholly-owned subsidiaries of abrdn plc.

Pursuant to the terms of the Management Agreement, ASFML is responsible for portfolio and risk management on behalf of the Company and will carry out the on-going oversight functions and supervision and ensure compliance with the applicable requirements of the AIFMD.

There are no performance, acquisition, exit or property management fees payable to the AIFM and / or the Investment Manager.

MANAGEMENT FEE

Under the terms of the Management Agreement, ASFML is entitled to receive an annual management fee at the rate of 1.5 per cent. of Total Assets. For this purpose, the term Total Assets means the aggregate of the assets of the Company less liabilities on the last business day of the period to which the fee relates (excluding from liabilities any proportion of principal borrowed for investment and treated in the accounts of the Company as current liabilities).

The annual management fee payable by the Company to the AIFM will be reduced by deduction of the running costs of the Havana operations of CEIBA Property Corporation Limited, a subsidiary of the Company.

In addition, the AIFM is entitled to reimbursement for all costs and expenses properly incurred by the AIFM and / or the Investment Manager in the performance of its duties under the Management Agreement.

In connection with execution of the Management Agreement, ASFML paid the Company US$5,000,000 to compensate the Company for the costs relating to its public offering and listing on the SFS as well as for releasing and making available the Company's internal management team to ASFML. In the event that the Management Agreement is terminated prior to the fifth anniversary of its coming into effect, the Company must pay ASFML a pro-rated amount of the US$5,000,000 payment based on the amount of time remaining in the five-year period. As such, this payment has been recorded as a deferred liability and is being amortised over the five-year period. At 31 December 2021 the liability was US$1,833,333 (2020: US$2,833,333). The amount amortised each period is accounted for as a reduction of the management fee.

The Directors reviewed the terms of the Management Agreement and management fees during the year and have confirmed that, due to the investment skills, experience and commitment of the Investment Manager, the appointment of ASFML, on the terms agreed, is in the interests of shareholders as a whole. The Management Engagement Committee is responsible for undertaking a review of the Management Agreement on a regular basis and providing a recommendation on the continued appointment of the AIFM to the Board.

POLITICAL AND CHARITABLE DONATIONS

The Company does not make political donations and has not made any charitable donations during 2021 (2020: Nil).

RISK MANAGEMENT

Details of the financial risk management policies and objectives relative to the use of financial instruments by the Company are set out in note 19 to the financial statements.

THE BOARD

The names and short biographies of the Directors of the Company, all of whom are non-executive, at the date of this report are shown on pages 28 and 29. John Herring is the Chairman and Peter Cornell is the Senior Independent Director. Trevor Bowen, Keith Corbin, Peter Cornell and Jemma Freeman are considered independent non-executive Directors. The Board considers that John Herring and Colin Kingsnorth continue to be independent in character and judgement and bring a wealth of experience. However, due to John's historical connection with Northview Investment Fund Limited (the Company's largest shareholder), and his length of service on the Board, John is not considered independent for the purposes of the AIC Code of Corporate Governance (published in February 2019) (the "AIC Code"). In addition, Colin, having served on the Board for an extended period of time and as a representative of Laxey Partners Limited and Ursus Capital Limited, past and present major shareholders in the Company, is also not considered independent for the purposes of the AIC Code.

The Board, which comprises six directors, regularly reviews the composition of the Board and succession planning through the Nomination Committee. Given the tenure of the independent non-executive directors and the interests being represented by the other non-executive directors, as well as the current position of the Company, the Board does not have any immediate plans to change the composition of the Board.

ROLE OF THE CHAIRMAN AND SENIOR INDEPENDENT DIRECTOR

The Chairman is responsible for providing effective leadership to the Board, demonstrating objective judgement and promoting a culture of openness and debate. The Chairman facilitates the effective contribution, and encourages active engagement, by each Director. In conjunction with the Company Secretary, the Chairman ensures that Directors receive accurate, timely and clear information to assist them with effective decision-making. The Chairman leads the evaluation of the Board and individual Directors, and acts upon the results of the evaluation process by recognising strengths and addressing any weaknesses. The Chairman also engages with major shareholders and ensures that all Directors understand shareholders' views.

The Senior Independent Director acts as a sounding board for the Chairman and acts as an intermediary for other directors, when necessary. Working closely with the Nomination Committee, the Senior Independent Director takes responsibility for an orderly succession process for the Chairman, and leads the annual appraisal of the Chairman's performance. The Senior Independent Director is also available to shareholders to discuss any concerns they may have.

ELECTION OF THE BOARD

In accordance with corporate governance best practice, the Board has agreed that all Directors will retire annually and, if appropriate, will seek re-election at the annual general meeting of the Company. All Directors will stand for re-election at the forthcoming Annual General Meeting, with the exception of Jemma Freeman who having been appointed by the Board since the last Annual General Meeting, will stand for election. The Board has reviewed the skills and experience of each Director and believes that each contributes to the long-term sustainable success of the Company. The Board has no hesitation in recommending their re-election, or election, to shareholders.

CORPORATE GOVERNANCE

The Company is committed to high standards of corporate governance. As the Company is listed on the SFS, the Company has voluntarily undertaken to comply with provision 9.8 of Chapter 9 of the Listing Rules regarding corporate governance and the principles and provisions of the AIC Code for the year ended 31 December 2021.

The AIC Code addresses all the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and provisions on issues that are of specific relevance to investment companies. The Board considers that reporting in accordance with the principles and provisions of the AIC Code provides more relevant and comprehensive information to shareholders. The AIC Code is available on the AIC website at: https://www.theaic.co.uk.

The Company has complied throughout the accounting period with the relevant provisions contained within the AIC Code, except provisions relating to:

- the independence and tenure of the chairman (provisions 11 and 13);
- the role and responsibility of the chief executive (provisions 9 and 14); and
- executive directors' remuneration and establishment of a remuneration committee (provisions 33 and 36 to 40).

The Board considers that provisions 9, 14, 33 and 36 to 40 are not relevant to the position of the Company, being an externally-managed investment company. In particular, all of the Company's day to day management and administrative functions are outsourced to third parties. In addition, as set out above, the Board has not complied with provisions 11 and 13 and, with support from the Nomination Committee, has resolved that, given the projects currently underway at the Company, the specialist nature of the Company and the current economic conditions, John's continued appointment as Chairman is in the best interests of the Company and shareholders as a whole. The Board evaluates appointments, including the Chairman, on an annual basis.

Directors have attended the following scheduled meetings during the year ended 31 December 2021.

DIRECTOR	Nº OF BOARD MEETINGS ATTENDED	Nº OF AUDIT COMMITTEE MEETINGS ATTENDED	Nº OF NOMINATION COMMITTEE MEETINGS ATTENDED	Nº OF MANAGEMENT ENGAGEMENT COMMITTEE MEETINGS ATTENDED
John Herring	4 of 4	n/a	n/a	1 of 1
Keith Corbin	4 of 4	3 of 3	3 of 3	1 of 1
Trevor Bowen	4 of 4	3 of 3	3 of 3	1 of 1
Peter Cornell	4 of 4	n/a	3 of 3	1 of 1
Colin Kingsnorth	4 of 4	n/a	n/a	1 of 1
Jemma Freeman	1 of 4*	1 of 3*	1 of 3*	n/a

* Jemma was appointed on 1 October 2021 and has attended all meetings since then.

The Board meets more frequently when business needs require.

Policy on Tenure

The Board's policy on tenure is that Directors need not serve on the Board for a limited period of time only. The Board does not consider that the length of service of a Director is as important as the contribution he or she has to make, and therefore the length of service will be determined on a case-by-case basis. The Board strives to ensure that any changes to its composition, including succession planning for Directors, be managed without undue disruption to the Company's operations. Directors are able and encouraged to provide statements to the Board of their concerns and ensure that any items of concern are recorded in the Board minutes and the Chairman encourages all Directors to present their views on matters in an open forum.

The Board notes that some shareholders may see longevity on the Board as a negative. The Board has a mix of longer serving and more recently appointed Directors and the Board believes that the experience of the longer-serving Directors has served the Company well through numerous investment cycles and is valued by the Board as a whole.

The Board has a schedule of matters reserved to it for decision. Such matters include strategy, gearing, treasury and the Company's dividend policy. Full and timely information is provided to the Board to enable the Directors to function effectively and to discharge their responsibilities. The Board also reviews the financial statements, performance and revenue budgets.

There is an agreed procedure for Directors to take independent professional advice if necessary, at the Company's expense. This is in addition to the access which every Director has to the advice and services of the Company Secretary, which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with.

Board and Committee Evaluation

Each year, the Company undertakes a performance evaluation of the Board and its committees as a whole as well as an appraisal of the Chairman and a Director's self evaluation. During the year, the evaluation was carried out by the Chairman and Senior Independent Director, with support from the Company Secretary. The evaluation concluded that, following the appointment of Jemma Freeman as a non-executive director, the Board and committees were operating effectively with minor suggestions for improvement. On the basis of the results of the evaluation process, the Board has no hesitation in recommending to Shareholders the election, or re-election, of all Directors.

Board Committees

The Board has established an Audit Committee, a Management Engagement Committee and a Nomination Committee. These committees undertake specific activities through delegated authority from the Board. Terms of reference for each committee may be found on the Company's website (www.ceibalimited.co.uk) and copies are available from the Company Secretary upon request. The terms of reference are reviewed and re-assessed by the Board for their adequacy on an annual basis.

The Board has not appointed a separate remuneration committee but, as set out below, delegates the consideration of the remuneration of the Directors to the Nomination Committee.

Details of the activities of each of the committees are set out below.

Audit Committee

Information regarding the composition, responsibilities and activities of the Audit Committee is detailed in the Report of the Audit Committee on pages 39 to 41 of this Annual Report.

Nomination Committee

All appointments to the Board are considered by the Nomination Committee, which is chaired by Keith Corbin. All of the independent non-executive Directors are members. The function of the Nomination Committee is to ensure that the Company undertakes a formal process of reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board, identifying the experience and skills which may be needed and those individuals who might best provide them and to ensure that the individual has sufficient available time to undertake his or her responsibilities as a Director. When considering the composition of the Board, members will be mindful of diversity, inclusiveness and meritocracy. Whilst the Board agrees that it is entirely appropriate that it should seek diversity, it does not consider that this can be best achieved by establishing specific quotas and targets and appointments will continue to be made based primarily on merit. The Board's overriding priority in appointing new directors to the Board is to identify the candidate with the best range of skills and experience to complement those of existing Directors. Once appointed, the successful candidate will receive a formal and tailored induction.

The remuneration of the Directors is reviewed on an annual basis by the Nomination Committee and compared with the level of remuneration for directorships of other similar companies. All Directors receive an annual fee and there are no share options or other performance-related benefits available to them. The remuneration of the Directors has been set in order to attract individuals of a calibre appropriate to the future development of the Company. The Company's policy on Directors' remuneration, together with details of the remuneration of each Director, is detailed in the Directors' Remuneration Report on pages 37 to 38.

The Nomination Committee meets at least once per year and otherwise as required. The outside directorships and broader commitments of Directors are also monitored by the Nomination Committee.

During the year the Nomination Committee met three times, matters considered were the remuneration of the Directors, board composition and succession planning for the role of the Chairman.

The Nomination Committee initiated a search for a new non-executive Director during the year as part of its succession planning. Following a recruitment process, Jemma Freeman was recommended by the Nomination Committee to the Board for appointment as a non-executive Director on 1 October 2021. The services of a recruitment consultancy were not engaged to assist in the process.

Management Engagement Committee

The Management Engagement Committee comprises the entire Board of Directors and is chaired by John Herring. The principal duties of the Management Engagement Committee are to review the performance of the Investment Manager and its compliance with the terms of the Management Agreement. The terms and conditions of the Investment Manager's appointment, including an evaluation of fees, are reviewed by the Management Engagement Committee on an annual basis.

The Management Engagement Committee also reviews the terms of appointment of other key service providers to the Company.

The Management Engagement Committee meets at least once per year and otherwise as required.

During the year, the Management Engagement Committee met once to consider the performance of, and the contractual arrangements with, the key service providers of the Company, including the Investment Manager, the AIFM, the Company Secretary and the Administrator and agreed that there was no requirement to change any service provider.

INTERNAL CONTROL & RISK MANAGEMENT

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness and confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. This process has been in place during the year under review and up to the date of approval of this Annual Report. It is regularly reviewed by the Board and accords with the Financial Reporting Council Guidance.

The Board has reviewed the effectiveness of the system of internal control focussing in particular on the process for identifying and evaluating the principal risks affecting the Company and policies by which these risks are managed.

The Directors have delegated the investment management of the Company's assets to ASFML within overall guidelines, and this embraces implementation of the system of internal control, including financial, operational and compliance controls and risk management. Internal control systems are monitored and supported by the Investment Manager's internal audit function which undertakes periodic examination of business processes, including compliance with the terms of the management agreement, and ensures that recommendations to improve controls are implemented.

Risks are identified and documented through a risk management framework by each function within the Investment Manager's group activities. Risk includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any weaknesses identified are reported to the Board, and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The principal and emerging risks and uncertainties faced by the Company are detailed on pages 8 to 14.

The key components of the process designed by the Directors to provide effective internal control are outlined below:

- the Investment Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance;
- the Board and Investment Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board and there are meetings with the Investment Manager as appropriate;
- as a matter of course the Investment Manager's compliance department continually reviews the Investment Manager's operations and reports to the Audit Committee on a six monthly basis;
- written agreements are in place which specifically define the roles and responsibilities of the Investment Manager and other third-party service providers and, where relevant, ISAE3402 Reports, a global assurance standard for reporting on internal controls for service organisations, or their equivalents are reviewed;
- the Board has considered the need for an internal audit function but, because of the compliance and internal control systems in place within the Investment Manager, has decided to place reliance on the Investment Manager's systems and internal audit procedures; and

- the Audit Committee carried out an annual assessment of internal controls for the year ended 31 December 2021 by considering documentation from the Investment Manager, and the Depositary, including their internal audit and compliance functions and taking account of events since 31 December 2021. The results of the assessment, that internal controls are satisfactory, will be reported to the Board at the next Board meeting.

Internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss.

MANAGEMENT OF CONFLICTS OF INTEREST

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process, the Directors prepare a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his wider duties is affected. Each Director is required to notify the Company's Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting. No Director has a service contract with the Company although Directors are issued with letters of appointment upon appointment. The Directors' interests in contractual arrangements with the Company are as shown in note 15 to the financial statements. No Directors had any interest in contracts with the Company during the period or subsequently. The conflicts of the non independent directors are well known to the Board and reviewed regularly.

The Board has adopted appropriate procedures designed to prevent bribery. The Company receives periodic reports from its service providers on the anti-bribery policies of these third parties. It also receives regular compliance reports from the Investment Manager and the Administrator.

The Criminal Finances Act 2017 has introduced a new corporate criminal offence of "failing to take reasonable steps to prevent the facilitation of tax evasion". The Board has confirmed that it is the Company's policy to conduct all of its business in an honest and ethical manner. The Board takes a zero-tolerance approach to facilitation of tax evasion, whether under Guernsey law or under the law of any foreign country.

SUBSTANTIAL INTERESTS

The Company has been advised that the following shareholders owned 5% or more of the issued Ordinary share capital of the Company at 31 December 2021:

SHAREHOLDER	NUMBER OF SHARES HELD	% HELD
Northview Investment Fund Ltd	37,764,018	27.43
POP Investments Limited	12,252,339	8.90
Ursus Capital Limited	12,252,338	8.90
abrdn plc	9,838,532	7.15
Citco Global Custody NV	8,373,144	6.08

There have been no significant changes notified in respect of shareholdings between 31 December 2021 and 28 April 2022.

ANNUAL GENERAL MEETING

The Notice of the Annual General Meeting ("AGM") is included within this Annual Report and Consolidated Financial Statements. The AGM will take place at the registered office of the Company, Dorey Court, Admiral Park, St. Peter Port, Guernsey, GY1 2HT Channel Islands on 16 June 2022 at 2.00 p.m. An explanation of each resolution to be proposed at the AGM is included in the Letter from the Chairman on page 91. All shareholders will have the opportunity to put questions to the Board or the Investment Manager at the Company's AGM. Shareholders are encouraged to vote on the resolutions proposed in advance of the AGM and to submit questions to the Board and the Investment Manager by emailing CEIBA.Investments@abrdn.com.

The Company Secretary is also available to answer general shareholder queries at any time throughout the year.

In the event that the situation surrounding Covid-19 should affect the plans to hold the AGM on 16 June 2022 the Company will update shareholders through an announcement to the London Stock Exchange and will provide further details on the Company's website. As noted above, the Board encourages all shareholders to exercise their votes, and submit any questions, in respect of the meeting in advance. This should ensure that your votes are registered in the event that attendance at the AGM might not be possible.

RELATIONS WITH STAKEHOLDERS

The Directors place a great deal of importance on communication with shareholders. The Board welcomes feedback from all shareholders. The Chairman meets periodically with the largest shareholders to discuss the Company. The Annual Report and Consolidated Financial Statements are widely distributed to other parties who have an interest in the Company's performance. Shareholders may obtain up to date information on the Company through the Company's website www.ceibalimited.co.uk.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the Investment Manager in situations where direct communication is required and usually a representative from the Board is available to meet with major shareholders on an annual basis in order to gauge their views.

By order of the Board

28 April 2022

JTC Fund Solutions (Guernsey) Limited
Secretary
Ground Floor, Dorey Court
Admiral Park, St Peter Port
Guernsey GY1 2HT

As the Company is listed on the SFS, the Board has prepared this remuneration report on a voluntary basis.

The Company's auditor has not audited any of the disclosures provided in this Directors' Remuneration Report.

REMUNERATION POLICY

This part of the Remuneration Report provides details of the Company's Remuneration Policy for Directors of the Company. As the Board is comprised wholly of non-executive Directors and given the size and nature of the Company, the Board has not established a separate Remuneration Committee. Directors' remuneration is determined by the Board as a whole.

The Directors are non-executive and the Company's Articles of Incorporation limit the annual aggregate fees payable to the Board of Directors to no more than £500,000 (US$673,850) per annum. The aggregate level of the fees payable to the Directors may only be increased by way of shareholder resolution. Subject to this overall limit, the Board's policy is that the remuneration of non-executive Directors should reflect the nature of their duties, responsibilities and the value of their time spent and be fair and comparable to that of other investment companies that are similar in size, have a similar capital structure and have a similar investment objective. Fees are reviewed annually against the Company's peer group and increased accordingly if considered appropriate. There were no changes to the Directors' Remuneration Policy during the year nor are there any proposals for changes in the foreseeable future. In the past year, aggregate fees of £193,750 were paid to the Directors. The table below shows the fees agreed per annum.

	31 Dec 2021 (£)	31 Dec 2020 (£)
Chairman	40,000	40,000
Chairman of Audit Committee	40,000	40,000
Director	35,000	35,000

APPOINTMENT

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive appointed under the terms of Letters of Appointment.
- Directors must retire and be subject to re-election at each annual general meeting.
- New appointments to the Board will be placed on the fee applicable to all Directors at the time of appointment (currently £35,000 per annum).
- No incentive or introductory fees will be paid to encourage a Directorship.
- The Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
- Directors are entitled to re-imbursement of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of their duties as a Director of the Company.

PERFORMANCE AND SERVICE CONTRACTS

- The Directors' remuneration is not subject to any performance-related fee.
- No Director has a service contract.
- Although John Herring and Colin Kingsnorth are linked to large shareholders of the Company, no Director has an interest in any contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed subject to three months' notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or to any assets of the Company.

Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors. Under the Articles, the Company indemnifies each of the Directors out of the assets of the Company against any liability incurred by them as a Director in defending proceedings or in connection with any application to the Court in which relief is granted and separate deeds of indemnity exist in this regard between the Company and each Director.

IMPLEMENTATION REPORT

Directors' Fees

In September 2021 the Nomination Committee reviewed the Directors' fees and agreed that no revisions were required for the financial year ended 31 December 2021 but will keep this under review. There are no further fees to disclose as the Company has no direct employees, chief executive or executive directors.

The total fees paid to, and received by, the Directors for the financial years to 31 December 2020 and 31 December 2021 are shown below.

Director	2021 (£)	2021 (US$)	2020 (£)	2020 (US$)
John Herring	40,000	53,908	40,000	54,432
Keith Corbin	35,000	47,170	35,000	47,628
Peter Cornell	35,000	47,170	35,000	47,628
Trevor Bowen	40,000	53,908	40,000	54,432
Colin Kingsnorth	35,000	47,170	35,000	47,628
Jemma Freeman	8,750	11,792	-	-
Total	193,750	261,118	185,000	251,748

Sums Paid to Third Parties

No fees were paid to third parties for services as non-executive Directors.

Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors' interests in contractual arrangements with the Company are as shown in note 15 to the financial statements. The Directors (including connected persons) at 31 December 2021 are shown in the table below.

Director	31 December 2021 Ordinary Shares	31 December 2020 Ordinary Shares
John Herring	40,000	40,000
Keith Corbin	-	-
Peter Cornell	100,000	100,000
Trevor Bowen	43,600	43,600
Colin Kingsnorth[1]	12,252,338	30,979,316

1 At 31 December 2021 Colin Kingsnorth is a director and shareholder of Ursus Capital Limited. Ursus holds 12,252,338 shares (2020: Colin Kingsnorth was a director and shareholder of Laxey Partners Limited, which owned and served as the investment manager for an aggregate of 30,979,316 shares.

The above interests are unchanged at 28 April 2022, being the nearest practicable date prior to the signing of this Report.

ANNUAL STATEMENT

On behalf of the Board I confirm that the above Report on Remuneration Policy and Remuneration Implementation summarises, as applicable, for the year ended 31 December 2021:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and in which decisions have been taken.

For and on behalf of the Board,

Keith Corbin
Director
28 April 2022

REPORT OF THE AUDIT COMMITTEE

COMMITTEE COMPOSITION

The Audit Committee (the "Committee") presents its report for the year ended 31 December 2021.

The Committee is comprised of Trevor Bowen as Chairman, Keith Corbin and Jemma Freeman (appointed 1 October 2021).

The Committee have satisfied themselves that at least one of the Committee's members has recent and relevant financial experience. Trevor Bowen is a Chartered Accountant and previously spent 11 years as a partner at KPMG and has recent and relevant financial experience. The Committee is also considered, as a whole, to have competence relevant to this sector. The Committee continues to consider that the Company does not require an internal audit function of its own as it delegates its day to day operations to third parties from whom it receives regular internal controls reports.

FUNCTIONS OF THE COMMITTEE

The principal function of the Committee is to assist the Board in relation to the reporting of financial information, and to ensure that the internal control procedures are robust and that risk management processes are appropriate.

The Committee has defined terms of reference which will be reviewed and re-assessed for their adequacy on an annual basis. Copies of the terms of reference are published on the Company's website.

The Committee's main audit review functions are:

- to monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgements which they contain;
- to review the content of the annual financial report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- to review the adequacy and effectiveness of the Company's internal financial controls and risk management systems, for example including the risks of misappropriation or loss of assets, of misstatement of accounting records or of non-compliance with accounting standards, and monitor the proposed implementation of such controls;
- to review the Company's procedures for detecting fraud, the systems and controls in place for prevention of bribery, the adequacy of the Company's anti-money laundering systems and controls and the Company's compliance function;
- to monitor and review whether an internal audit function is required;
- to oversee the relationship with the external auditor and review the effectiveness of the external audit process; including the remuneration of the auditor as well as their independence and any non-audit services provided by them. The Committee will monitor the performance of the auditor with the aim of ensuring a high quality and effective audit;
- to develop and implement policy on the engagement of the auditor to supply non-audit services. No non-audit fees were paid to the auditor during the year under review;
- to make recommendations to the Board, to be put to shareholders for approval in general meeting, in relation to the appointment, re-appointment and removal of the Company's external auditor;
- to develop and oversee the selection process for new external auditors and if an external auditor resigns, investigate the issues leading to this and decide whether any action is required; and
- to ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms and, in respect of such tender, oversee the selection process and ensure that all tendering firms have such access as is necessary to information and individuals during the tendering process.

FREQUENCY OF MEETINGS DURING THE YEAR

The Committee meets at least twice per year at appropriate times in the Company's reporting and audit cycle and otherwise as required.

ACTIVITIES DURING THE YEAR

The Committee met three times during the last year and reported to the Board on its activities and on matters of particular relevance to the Board.

The Committee also undertook a review of the Company's Auditor during the year. More details on this are set out in the Tenure of the Auditor section.

The Committee also assisted the Board in carrying out its responsibilities in relation to financial reporting requirements.

REVIEW OF INTERNAL CONTROL SYSTEMS AND RISK

At its meeting on 20 April 2022, the Committee reviewed the internal control systems and considered the Company's principal and emerging risks. The Committee will consider the internal control systems and a matrix of risks at each of its meetings.

FINANCIAL STATEMENTS AND SIGNIFICANT ISSUES

During its review of the Company's financial statements for the year ended 31 December 2021, the Committee considered the following significant issues, including, in particular, those communicated by the Auditor as key areas of audit emphasis during their planning and reporting of the year end audit.

Valuation of Investments

The fair value of the equity investments, driven by underlying investment property valuations, are the most substantial figures on the Consolidated Statement of Financial Position. The underlying valuations of the investment properties and investment properties under construction require significant judgements and estimates to be made. This is a key risk that requires the attention of the Audit Committee.

The fair values of the equity investments of the Company are determined by the Investment Manager and the Board primarily on the basis of the valuation reports prepared by Arlington Consulting – Consultadoria Imobiliaria Limitada, trading as "Abacus", and subsequently reviewed in detail and challenged by the Audit Committee. The valuation reports were prepared in accordance with RICS Valuation – Global Standards 2017, and, in future, will be reviewed by the Committee on a six-monthly basis and by the Auditor at least annually.

In determining the fair value of each equity investment, the Investment Manager and the Directors may also take into account additional relevant information that impacts the fair value of the relevant joint venture company that has not been considered in the valuation report of the underlying property of the joint venture. One such fair value consideration is cash held by the joint venture in excess of its working capital needs ("Excess Cash"). As the valuation of the underlying property only assumes a level of working capital to allow for day-to-day operations of the property, the existence of any Excess Cash needs to be included as an additional component of the fair value of the joint venture company. To determine the amount of Excess Cash, the Investment Manager and the Board estimate the amount of cash required by the property for working capital needs and deduct this amount from the cash and cash equivalents held by the joint venture. The above estimates are also reviewed by the Committee.

Revenue Recognition

As dividend income is the Company's major source of income and a significant item on the Consolidated Statement of Comprehensive Income, the recognition of dividend income from the underlying equity investments is another key risk considered by the Committee. The Company's policy is that dividend income arising from equity investments is recognised when the Company's right to receive payment of the dividend is established or cash amounts have been received. The Committee reviewed the controls in place at the Investment Manager in respect of recognition of dividend income and intends to do so at least every six months.

Consideration and Approval of Principal Risks & Uncertainties

The Audit Committee considered, in detail, the principal risks & uncertainties, and emerging risks, facing the Company, particularly in light of the volatility impacting the economy and tourism industry in Cuba, as well as the ongoing U.S. sanctions. The Audit Committee considered the risk relating to the Company and its investment strategy at a corporate level, as well as the portfolio, operational and reputational risks, risks relating to investment in Cuba and the U.S. Embargo and the Company's regulatory and tax framework, and its disclosure in the Annual Report. The output from the risk assessment is set out in the Principal Risks & Uncertainties on pages 8 to 14. The Committee will review the matrix of risks at each committee meeting.

REVIEW OF FINANCIAL STATEMENTS

The Committee is responsible for the preparation of the Company's Annual Report. The process is extensive, requiring input from a number of different third-party service providers. The Committee reports to the Board on whether, taken as a whole, the Annual Report and Consolidated Financial Statements are fair, balanced and understandable. In so doing, the Committee has considered the following matters:

- the existence of a comprehensive control framework surrounding the production of the Annual Report and Consolidated Financial Statements which includes a number of different checking processes;
- the existence of extensive levels of reviews as part of the production process involving the Administrator, the Investment Manager, the Company Secretary and the auditor as well as the Committee's own expertise;
- the controls in place within the various third-party service providers to ensure the completeness and accuracy of the financial records and the security of the Company's assets;
- the externally audited internal control reports of the Investment Manager, Administrator and any other related service providers.

The Committee has reviewed the Annual Report and the work undertaken by the third-party service providers and is satisfied that, taken as a whole, the Annual Report and Consolidated Financial Statements are fair, balanced and understandable. In reaching this conclusion, the Committee has assumed that the reader of the Annual Report would have a reasonable level of knowledge of the investment industry in general. The Committee has reported its findings to the Board which in turn has made its own statement in this regard in the Directors' Responsibility Statement on page 42.

REVIEW OF AUDITOR

The Committee has reviewed the effectiveness of the auditor including:

- Independence: the Committee ensures that there is a discussion with the auditor, at least annually, in regards to the steps it takes to ensure its independence and objectivity and to make the Committee aware of any potential issues, explaining all relevant safeguards;
- Quality of audit work: (i) the ability to resolve issues in a timely manner – the Committee is confident that identified issues are satisfactorily and promptly resolved; (ii) its communications/presentation of outputs – the Committee is satisfied that the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible; and (iii) working relationship with management – the Committee is satisfied that the auditor has a constructive working relationship with the Investment Manager; and,
- Quality of people and service including continuity and succession plans: the Committee is satisfied that the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector and retention on rotation of the partner.

TENURE OF THE AUDITOR

Grant Thornton has been the Company's external auditor since 3 December 2019 and its appointment has been approved by shareholders each year, the last time being at the Annual General Meeting on 17 June 2021. The current audit partner has been in place since 3 December 2019.

The Audit Committee performed a review of the external audit processes provided by the Auditor during the last year and can confirm that they are satisfied that Grant Thornton is a suitable independent Auditor and therefore supports the recommendation to the Board that the re-appointment of Grant Thornton be put to shareholders for approval at the Annual General Meeting. The Committee is mindful of the EU audit legislation which requires the rotation of long-serving auditors. The Company will be required to put its audit contract out to tender again by no later than 2029.

At the last Audit Committee meeting held in 2021, it was decided that no Auditor review of the 2022 interim financial statements of the Company would be contracted.

ACCOUNTABILITY AND AUDIT

Each member of the Committee confirms that, so far as they are aware, there is no relevant audit information of which the Company's Auditor is unaware, and that they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information. Additionally, there are no important events since the period end other than as disclosed in the notes to the financial statements.

The Committee has reviewed the level of non-audit services provided by the Company's Auditor during the year, and remains satisfied that the Auditor's objectivity and independence is being safeguarded.

Trevor Bowen
Audit Committee Chairman
28 April 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Consolidated Financial Statements, in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008, as amended (the "Law") requires the Directors to prepare financial statements for each financial year. Under the Law, the Directors have elected to prepare the Consolidated Financial Statements in accordance with IFRS. Under the Law, the Directors must not approve the Consolidated Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these Consolidated Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the Consolidated Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- state whether all applicable IFRS standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that it's Consolidated Financial Statements comply with the Law. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors listed on page 28 and 29, being the persons responsible, hereby confirm to the best of their knowledge that:

- the Consolidated Financial Statements, prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and all the undertakings included in the consolidation taken as a whole;
- in the opinion of the Directors, the Annual Report and Consolidated Financial Statements taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's position and performance, business model and strategy; and
- the General Information section and Directors' Report include a fair review of the development and performance of the business and the position of the Company and all the undertakings included in the consolidation taken as a whole, and the Principal Risks section provides a description of the principal risks and uncertainties that they face.
- there is no additional information of which the Company's Auditor is not aware.

For CEIBA Investments Limited

Keith Corbin
Director
28 April 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CEIBA INVESTMENTS LIMITED

Opinion

We have audited the consolidated financial statements of CEIBA Investments Limited and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

In our opinion, the consolidated financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2021 and of the Group's loss for the year then ended;
- are in accordance with IFRSs as issued by IASB; and
- comply with the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and 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 consolidated 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.

Key Audit Matter	How the matter was addressed in the audit
Fair value of equity investments (2021: US$175,828,034, 2020: US$197,618,050) We identified fair value of equity investments as one of the most significant assessed risks of material misstatement due to fraud. As at 31 December 2021, the Group had equity investments in joint venture companies comprising 71% (2020: 83%) of the Group's total assets. The valuation of the equity investments comprises the value of the underlying Cuban real estate assets valued by a third-party valuer and the working capital in excess of operating requirements (excess cash) held within the joint ventures As explained in notes 2, 7 and 19, the investments are carried at fair value, determined using a valuation methodology which involves a high degree of management judgments and estimates. The valuation of the underlying real estate assets has been prepared in a period of significant market instability as a result of the Covid-19 pandemic, and it is not possible to ascertain when the Cuban tourism sector and economy will recover to anywhere near previous levels, which result in uncertainty in valuing the underlying properties. There is a risk that the fair value of these financial assets may be materially misstated due to use of incorrect or inappropriate judgements, estimates and assumptions in determining the fair value of the underlying real estate assets. Incorrect valuation could have a significant impact on the Group's net asset value and net income, which are key performance indicators used by management and on the actual return generated for the shareholders. *Refer to the Audit Committee Report pages 39-41; Accounting policies in pages 53-59, and Note 2.3, Use of estimates and judgements, to the Financial Statements*	Our audit work included, but was not restricted to the following: • We updated our understanding of the valuation process and methodology used through detailed discussions with management and their external valuation expert and performed walkthroughs to confirm our understanding of the systems and to test the design and implementation of relevant key controls over the valuation process; • We assessed the independence, competence and objectivity of the Group's external valuation expert; • We obtained a copy of the valuation report prepared by the valuation expert and confirmed this was checked by management by inspecting board minutes; • We involved our GT UK valuation expert, who: › Verified whether the valuation as at 31 December 2021 is appropriate under the circumstances in accordance with IFRS 13 - Fair value measurement; › Inspected the valuation report, the methodology and associated cash flow statements, checked the reasonableness of key assumptions such as the discount and occupancy rates, checked the revenues including but not limited to room and parking charges, capex, contingency, checked any estimates and judgements involved, and checked the mathematical accuracy of the calculation; and › Ascertained whether the fair value of the underlying real estate assets is deemed satisfactory in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation Global Standards 2019 based on our knowledge and experience and the result of our independent review of the valuation. • We reviewed management's valuation workings and verified significant inputs and assumptions into the discounted cash flow calculation. We confirmed the reasonableness of excess cash calculation by verifying the balances to supporting documents, calculation or analysis. • We verified the reasonableness of the relevant valuation disclosures and notes to the consolidated financial statements, including the accuracy and adequacy of the required financial statements disclosures (i.e., summarized financial information) for interests in joint venture companies. • We assessed management's assessment for measuring its equity investments (i.e., interest in joint venture companies) at fair value in accordance with the exception for venture capital entities under International Accounting Standard 28 (IAS 28) - Investments in Associates and Joint Ventures. Our results Based on our work, we did not find any material misstatement on the valuation of the equity investments. The assumptions and estimates used were reasonable in the circumstance and the Group's disclosures were adequate.

Other information in the Annual Report

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report & consolidated financial statements, but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the Company's Financial Statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit

Responsibilities of the directors for the consolidated financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 42, the Directors are responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with IFRSs as issued by the International Standards Board (IASB), and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group'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 the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 of 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

We also provide the directors 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the 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.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Cyril Swale
For and on behalf of Grant Thornton Limited
Chartered Accountants
St Peter Port, Guernsey
28 April 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

	Note	31 Dec 2021 US$	31 Dec 2020 US$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	26,228,072	4,270,860
Accounts receivable and accrued income	5	3,821,068	14,581,229
Loans and lending facilities	6	3,372,086	2,827,292
Total current assets		33,421,226	21,679,381
NON-CURRENT ASSETS			
Accounts receivable and accrued income	5	3,146,333	1,768,447
Loans and lending facilities	6	19,185,524	17,395,343
Equity investments	7	175,828,034	197,618,050
Investment in associate	8	303,175	303,175
Property, plant and equipment	9	515,608	533,598
Total non-current assets		198,978,674	217,618,613
TOTAL ASSETS		232,399,900	239,297,994
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	10	4,347,187	1,085,590
Short-term borrowings	11	1,004,673	-
Deferred liabilities	17	1,000,000	1,000,000
Total current liabilities		6,351,860	2,085,590
Non-current liabilities			
Accounts payable and accrued expenses	10	-	1,129,709
Convertible bonds	12	28,299,353	-
Deferred liabilities	17	833,333	1,833,333
Total non-current liabilities		29,132,686	2,963,042
TOTAL LIABILITIES		35,484,546	5,048,632
EQUITY			
Stated capital	13	106,638,023	106,638,023
Revaluation surplus		319,699	319,699
Retained earnings		46,801,482	75,613,383
Accumulated other comprehensive income		6,563,385	11,854,509
Equity attributable to the shareholders of the parent		160,322,589	194,425,614
Non-controlling interest	13	36,592,765	39,823,748
TOTAL EQUITY		196,915,354	234,249,362
TOTAL LIABILITIES AND EQUITY		232,399,900	239,297,994
NAV	13	160,322,589	194,425,614
NAV per share	13	1.16	1.41

See accompanying notes 1 to 23, which are an integral part of these consolidated financial statements.

These audited Financial Statements on pages 47 to 50 were approved by the board of Directors and authorised for issue on 28 April 2022.

They were signed on the Company's behalf:
Keith Corbin, Director

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2021

	Note	31 Dec 2020 US$	31 Dec 2020 US$
INCOME			
Dividend income	7	3,050,124	13,258,912
Interest income		1,924,110	1,899,468
Travel agency commissions		7,529	6,113
Foreign exchange gain		-	1,157,566
		4,981,763	16,322,059
EXPENSES			
Foreign exchange loss		(130,198)	-
Interest expense on bonds		(2,176,931)	-
Loss on change in fair value of equity investments	7	(13,843,717)	(41,914,276)
Expected credit losses	5	(12,281,408)	-
Management fees	17	(2,276,574)	(1,864,518)
Other staff costs		(72,958)	(67,035)
Travel		(54,204)	(51,856)
Operational costs		(317,361)	(108,302)
Legal and professional fees		(1,487,338)	(1,368,707)
Administration fees and expenses		(344,620)	(292,534)
Audit fees	22	(321,625)	(270,909)
Miscellaneous expenses		(305,075)	(136,976)
Directors' fees and expenses	15	(276,111)	(232,677)
Depreciation	9	(29,792)	(39,645)
		(33,917,912)	(46,347,435)
NET LOSS BEFORE TAXATION		(28,936,149)	(30,025,376)
Income taxes	3.7	-	-
NET LOSS FOR THE YEAR		(28,936,149)	(30,025,376)
OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS			
(Loss)/gain on exchange differences of translation of foreign operations		(8,140,191)	11,538,310
TOTAL COMPREHENSIVE LOSS		(37,076,340)	(18,487,066)
NET LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Shareholders of the parent		(28,811,901)	(19,808,620)
Non-controlling interest		(124,248)	(10,216,756)
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO:			
Shareholders of the parent		(34,103,025)	(12,308,720)
Non-controlling interest		(2,973,315)	(6,178,346)
Basic and diluted loss per share	16	(0.21)	(0.14)

See accompanying notes 1 to 23, which are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2021

	Note	31 Dec 2021 US$	31 Dec 2020 US$
OPERATING ACTIVITIES			
Net loss for the year		(28,936,149)	(30,025,376)
Items not affecting cash:			
Depreciation	9	29,792	39,645
Expected credit losses	5	12,281,408	-
Change in fair value of equity investments	7	13,843,717	41,914,276
Dividend income		(3,050,124)	(13,258,912)
Interest income		(1,924,110)	(1,899,468)
Interest expense		2,176,931	-
Foreign exchange loss/(gain)		130,198	(1,157,566)
		(5,448,337)	(4,387,401)
Decrease/(increase) in accounts receivable and accrued income		810,460	(4,018,460)
Increase in accounts payable and accrued expenses		2,131,888	149,086
Non-cash movement in amortisation of deferred liability	17	(1,000,000)	(1,000,000)
Dividend income received		641,756	9,998,244
Interest income received		622,884	160,317
NET CASH FLOWS FROM OPERATING ACTIVITIES		(2,241,349)	901,786
INVESTING ACTIVITIES			
Purchase of investment in associate	8	-	(303,175)
Purchase of property, plant & equipment	9	(11,802)	(4,897)
Loans and lending facilities disbursed		(3,168,711)	(6,190,914)
Loans and lending facilities recovered		833,736	(886,001)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(2,346,777)	(7,384,987)
FINANCING ACTIVITIES			
Short term borrowings received		1,004,673	-
Issue of convertible bonds		29,312,500	-
Interest paid on convertible bonds		(2,176,931)	-
Cash distribution to non-controlling interest	13	(257,668)	(3,463,951)
Contributions received from non-controlling interest		-	84,406
NET CASH FLOWS FROM FINANCING ACTIVITIES		27,882,574	(3,379,545)
CHANGE IN CASH AND CASH EQUIVALENTS		23,294,448	(9,862,746)
Cash and cash equivalents at beginning of the period		4,270,860	13,102,578
Foreign exchange on cash		(1,337,236)	1,031,028
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		26,228,072	4,270,860

See accompanying notes 1 to 23, which are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2021

FOR THE YEAR ENDED 31 DECEMBER 2021	Notes	Stated Capital US$	Revaluation Surplus US$	Retained Earnings US$	Other comprehensive income US$	Total Equity attributable to the parent US$	Non controlling interest US$	Total Equity US$
Opening Balance		106,638,023	319,699	75,613,383	11,854,509	194,425,614	39,823,748	234,249,362
Revaluation of assets / Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	7, 13	-	-	-	(5,291,124)	(5,291,124)	(2,849,067)	(8,140,191)
Net loss for the year	13	-	-	(28,811,901)	-	(28,811,901)	(124,248)	(28,936,149)
Cash distribution to non-controlling interest	13	-	-	-	-	-	(257,668)	(257,668)
BALANCE AT 31 DECEMBER 2021		106,638,023	319,699	46,801,482	6,563,385	160,322,589	36,592,765	196,915,354

FOR THE YEAR ENDED 31 DECEMBER 2020	Notes	Stated Capital US$	Revaluation Surplus US$	Retained Earnings US$	Other comprehensive income US$	Total Equity attributable to the parent US$	Non controlling interest US$	Total Equity US$
Opening Balance		106,638,023	319,699	95,422,003	4,354,609	206,734,334	49,381,639	256,115,973
Revaluation of assets / Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	7, 13	-	-	-	7,499,900	7,499,900	4,038,410	11,538,310
Net loss for the year	13	-	-	(19,808,620)	-	(19,808,620)	(10,216,756)	(30,025,376)
Capital increase/contributions during the period	13	-	-	-	-	-	84,406	84,406
Cash distribution to non-controlling interest	13	-	-	-	-	-	(3,463,951)	(3,463,951)
BALANCE AT 31 DECEMBER 2020		106,638,023	319,699	75,613,383	11,854,509	194,425,614	39,823,748	234,249,362

See accompanying notes 1 to 23, which are an integral part of these consolidated financial statements.

1. CORPORATE INFORMATION

These consolidated financial statements for the year ended 31 December 2021 include the accounts of CEIBA Investments Limited and its subsidiaries, which are collectively referred to as the "Group" or "CEIBA".

CEIBA was incorporated in 1995 in Guernsey, Channel Islands as a registered closed-ended collective investment scheme with registered number 30083. In May 2013, the status of CEIBA changed to an unregulated investment company rather than a regulated investment fund. The status of CEIBA was changed back to a registered closed-ended collective investment scheme on 11 September 2018 under The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended. The registered office of CEIBA is located at Dorey Court, Admiral Park, St. Peter Port, Guernsey, Channel Islands GY1 2HT.

The principal holding and operating subsidiary of the Group is CEIBA Property Corporation Limited ("CPC") which holds a license issued by the Cuban Chamber of Commerce and has offices in Cuba located at the Miramar Trade Centre, Edificio Barcelona, Suite 401, 5ta Avenida, esq. a 76, Miramar, Playa, La Habana, Cuba.

The principal investment objective of CEIBA is to achieve capital growth and dividend income from direct and indirect investment in or with Cuban businesses, primarily in the tourism and commercial real estate sectors, and other revenue-generating investments primarily related to Cuba.

The Group currently invests in Cuban joint venture companies that are active in two major segments of Cuba's real estate industry: (i) the development, ownership and management of revenue-producing commercial properties, and (ii) the development, ownership and management of hotel properties. In addition, the Group occasionally arranges and participates in secured finance facilities and other interest-bearing financial instruments granted in favour of Cuban borrowers, primarily in the tourism sector. The Group's asset base is primarily made up of equity investments in Cuban joint venture companies that operate in the real estate segments mentioned above.

The officers are contracted through third party entities or consultancy agreements. CEIBA and its subsidiaries do not have any obligations in relation to future employee benefits.

On 22 October 2018, CEIBA completed an initial public offering and listed its ordinary shares on the Specialist Fund Segment of the London Stock Exchange, where it trades under the symbol "CBA". The Group also entered into a management agreement, with effect from 1 November 2018, under which the Group has appointed Aberdeen Standard Fund Managers Limited ("ASFML" or the "AIFM") as the Group's alternative investment fund manager to provide portfolio and risk management services to the Group. The AIFM has delegated portfolio management to Aberdeen Asset Investments Limited (the "Investment Manager"). Both the AIFM and the Investment Manager are wholly-owned subsidiaries of abrdn (see note 17).

2. BASIS OF PREPARATION

2.1 Statement of compliance and basis of measurement

These consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments as disclosed in note 3.8 and certain property, plant and equipment as disclosed in note 3.11 which are measured at fair value, in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2.2 Functional and presentation currency

These consolidated financial statements are presented in United States Dollars ("US$"), which is also the Company's functional currency. The majority of the Group's income, equity investments and transactions are denominated in US$, subsidiaries are re-translated to US$ to be aligned with the reporting currency of the Group.

2.3 Use of estimates and judgments

The preparation of the Group's consolidated financial statements, in conformity with IFRS, requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Management judgements

The key management judgements made by management in relation to the financial statements are:

a) That the Group is not an Investment Entity (see note 3.15);
b) That the Group is a Venture Capital Organisation (see note 3.16).
c) That the functional currency of the parent company (CEIBA Investments Limited) is US$ (see note 3.18)

Management estimates – valuation of equity investments

Significant areas requiring the use of estimates also include the valuation of equity investments. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

In determining estimates of recoverable amounts and fair values for its equity investments, the Group relies on independent valuations, historical experience, and assumptions regarding applicable industry performance and prospects, as well as general business and economic conditions that prevail and are expected to prevail. Assumptions underlying asset valuations are limited by the availability of reliable comparable data and the uncertainty of predictions concerning future events (see note 7).

By their nature, asset valuations are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the carrying amounts could change and, potentially, by a material amount.

Change in Management estimates – valuation of equity investments

The determination of the fair values of the equity investments may include independent valuations of the underlying properties owned by the joint venture companies. These valuations assume a level of working capital required for day-to-day operations of the properties. Management estimates the amount of cash required for these working capital needs to determine if the joint venture companies hold any excess cash that should be added as a component of the fair value of the equity investments.

In regards to the 31 December 2021 valuations of the properties held by Monte Barreto and Miramar performed by the independent valuers, the valuers have noted in their reports that their valuations have been prepared in a period of significant market instability as a result of the Covid-19 pandemic. The impact on the Cuban tourism sector and the economy in general has been dramatic, with significantly lower numbers of international tourists arriving since April 2020, which has had a negative impact on the Cuban economy. As it is not possible to ascertain with any certainty when the tourism sector and the economy will recover, there is a material uncertainty as to the valuation of the subject properties.

Change in Management estimates – expected credit losses in respect of dividends receivable

As explained in note 5, due to the current liquidity constraints placed upon Monte Barreto as a result of the recent Cuban monetary reforms, the timing of receipt of the historical dividends receivable is uncertain. Therefore the dividends receivable from Monte Barreto at year end have been impaired in full in the Statement of Comprehensive Income. However, in the case of Miramar, the same liquidity constraints are not applicable under the monetary reforms, due to a large portion of its income being earned in foreign currency and therefore Miramar has been assigned a higher credit rating. Management expects to receive the full amount of dividends receivable from Miramar in due course.

The total amount of credit impaired receivables at year end is $12,281,408 (2020: nil) and is the balance of the dividend receivable due from Monte Barrreto.

2.4 Reportable operating segments

An operating segment is a distinguishable component of the Group that is engaged in the provision of products or services (business segment). The primary segment reporting format of the Group is determined to be business segments as the Group's business segments are distinguishable by distinct financial information provided to and reviewed by the chief operating decision maker in allocating resources arising from the products or services engaged by the Group.

2.5 Equity investments

Equity investments include the direct and indirect interests of the Group in Cuban joint venture companies, which in turn hold commercial properties, hotel properties and hotel properties under development. Cuban joint venture companies are incorporated under Cuban law and have both Cuban and foreign shareholders.

Equity investments of the Group are measured at fair value through profit or loss in accordance with IFRS 9, *Financial Instruments: Recognition and Measurement* ("IFRS 9"), on the basis of the option to do so as per IAS 28. Changes in fair value are recognised in the statement of comprehensive income in the period of the change.

2.6 New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2021 and not early adopted that are relevant to the Group

IAS 1 'Presentation of financial statements' Classification of Liabilities as Current or Non-current. The IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. If the entity has the right at the end of the reporting period to defer settlement of a liability for at least twelve months after the reporting period, then the liability is classified as non-current. The classification is not affected by the likelihood that the entity will exercise its right to defer settlement. Therefore, if the right exists, the liability is classified as non-current even if management intends or expects to settle the liability within twelve months of the reporting period.

The effective date is for annual periods beginning on or after 1 January 2023 deferred until accounting periods starting not earlier than 1 January 2024. The amendments to the standard are not expected to have a material impact on the financial statements or performance of the Group.

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2. In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by: replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies; and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The effective date is for annual periods beginning on or after 1 January 2023. The Group is in the process of assessing the amendments to the standard but it is not expected to have a material impact on the financial statements or performance of the Group.

Definition of Accounting Estimates – Amendments to IAS 8. In February 2021, the IASB issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the IASB. The effective date is for annual periods beginning on or after 1 January 2023. The standard is not expected to have a material impact on the financial statements or performance of the Group as the amendment is in line with the current treatment by the Group.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Group.

2.7 Changes in accounting policies

Standards and interpretations applicable this period

There are no standards, amendments to standards or interpretations that are effective for years beginning on 1 January 2021 that have a material effect on the financial statements of the Group.

There are no new standards, amendments to standards or interpretations that are effective for years beginning on 1 January 2021 that have a material effect on the financial statements of the Group.

2.8 Convertible Bonds

The 10% unsecured convertible bonds 2026 (the "Bonds") issued by the Company have been classified as a liability as per IAS 32. The Bonds were initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate methodology.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

3.1 Consolidation

The consolidated financial statements comprise the financial statements of CEIBA and its subsidiaries as at 31 December 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting period during which the Group has control.

The Group had direct and indirect equity interests in the following entities as at 31 December 2021 and 31 December 2020:

Entity Name	Country of Incorporation	Equity interest held indirectly by the Group or holding entity	
		31 Dec 2021	31 Dec 2020
1. CEIBA Property Corporation Limited (a) (i)	Guernsey	100%	100%
1.1. GrandSlam Limited (a) (ii)	Guernsey	100%	100%
1.2. CEIBA MTC Properties Inc. (a) (iii)	Panama	100%	100%
1.2.1. Inmobiliaria Monte Barreto S.A. (b) (iv)	Cuba	49%	49%
1.3. CEIBA Tourism B.V. (a) (viii)	Netherlands	100%	100%
1.3.1. HOMASI S.A. (a) (iii)	Spain	65%	65%
1.3.1.1. Miramar S.A. (b) (vi)	Cuba	50%	50%
1.3.2. Mosaico Hoteles S.A. (a) (iii)	Spain	80%	80%
1.3.2.1. TosCuba S.A. (b) (vii)	Cuba	50%	50%
1.3.3. Mosaico B.V. (a) (v)	Netherlands	-	80%
1.3.4. Grupo BM Interinvest Technologies Mariel S.L. (c) (ix)	Spain	50%	50%

(a) Company consolidated at 31 December 2021 and 31 December 2020.
(b) Company accounted at fair value at 31 December 2021 and 31 December 2020.
(c) Company accounted for as an investment in associate at 31 December 2021 and 31 December 2020.

(i) Holding company for the Group's interests in real estate investments in Cuba that are facilitated by a representative office in Havana.
(ii) Operates a travel agency that provides services to international clients for travel to Cuba.
(iii) Holding company for underlying investments with no other significant assets.
(iv) Joint venture company that holds the Miramar Trade Centre as its principal asset.
(v) Mosaico B.V. was liquidated in May 2021.
(vi) Joint venture that holds the Meliã Habana Hotel, Meliã Las Americas Hotel, Meliã Varadero Hotel and Sol Palmeras Hotel as its principal assets.
(vii) Joint venture company incorporated to build a beach hotel in Trinidad, Cuba.
(viii) Dutch company responsible for the holding and management of the Group's investments in tourism.
(ix) Spanish company that is developing an industrial logistics warehouse project in the Special Development Zone of Mariel, Cuba.

All inter-company transactions, balances, income, expenses and realised surpluses and deficits on transactions between CEIBA Investments Limited and its subsidiaries have been eliminated on consolidation. Non-controlling interest represent the interests in the operating results and net assets of subsidiaries attributable to minority shareholders.

3.2 Foreign currency translation

Transactions denominated in foreign currencies during the period are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the reporting date into functional currency at the exchange rate at that date. Foreign currency differences arising on translation are recognised in the consolidated statement of comprehensive income as foreign exchange income (loss).

The financial statements of foreign subsidiaries included in the consolidation are translated into the reporting currency in accordance with the method established by IAS 21, *The Effects of Changes in Foreign Exchange Rates*. Assets and liabilities are translated at the closing rates at the statement of financial position date, and income and expense items at the average rates for the period. Translation differences are taken to other comprehensive income and shown separately as foreign exchange reserves on consolidation without affecting income. Translation differences during the year ended 31 December 2021 were losses of US$8,140,191 (2020: gains of US$11,538,310).

The exchange rate used in these consolidated financial statements at 31 December 2021 is 1 Euro = US$1.1326 (2020: 1 Euro US$1.2271).

3.3 Dividend income

Dividend income arising from the Group's equity investments is recognised in the consolidated statement of comprehensive income when the Group's right to receive payment is established or cash amounts have been received.

3.4 Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is recognised in the consolidated statement of comprehensive income.

3.5 Travel agency commissions

GrandSlam, a wholly-owned subsidiary of the Group, is a travel agency that acts as an intermediary between the customer and airlines, tour operators and hotels. GrandSlam facilitates transactions and earns a commission in return for its service. This commission may take the form of a fixed fee per transaction or a stated percentage of the customer billing, depending on the transaction and the related vendor. Commission is recognised when the respective bookings have been made.

3.6 Fees and expenses

Fees and expenses are recognised in the statement of comprehensive income on the accrual basis as the related services are performed. Transaction costs incurred during the acquisition of an investment are recognised within the expenses in the consolidated statement of comprehensive income and transactions costs incurred on share issues or placements are included within consolidated statement of changes in equity in respect of stated capital.

Transaction costs incurred on the disposal of investments are deducted from the proceeds of sale and transactions costs incurred on shares are deducted from the share issue proceeds.

3.7 Taxation

Deferred taxes are provided for the expected future tax consequences of temporary differences between the carrying amounts and tax bases of assets and liabilities using current corporation tax rate.

Deferred tax liabilities are recognized for temporary differences that will result in taxable amounts in future years. Deferred tax assets are recognised for temporary differences that will result in deductible amounts in future years. Where it is not certain that the temporary difference will be reversed no deferred taxation asset is established. At 31 December 2021 and 31 December 2020 the Group has not established any deferred tax assets or liabilities.

Guernsey	Exempt
The Netherlands	Exempt
Panama	Exempt
Spain	Exempt
Cuba (i)	15%

(i) The Cuban tax rate does not apply to the Group itself, but is rather the tax rate of the underlying Cuban joint venture companies of the equity investments and is taken into account when determining their fair value (see note 7).

3.8 Financial assets and financial liabilities

(a) Recognition and initial measurement

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal ("SPPI") amount outstanding. The Group includes in this category current and non-current cash and cash equivalents, loans receivables and non-financing accounts receivables and accrued income.

Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities at fair value through profit or loss are measured initially at fair value.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis
- It forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL

(b) Classification

The Group has classified financial assets and financial liabilities into the following categories:

Financial assets and financial liabilities classified at fair value through profit or loss:

Financial assets and financial liabilities classified in this category are those that have been designated by management upon initial recognition. Management may only classify an instrument at fair value through profit or loss upon initial recognition when one of the following criteria are met, and designation is determined on an instrument-by-instrument basis:

- The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis or,
- For financial liabilities that are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or,
- For financial liabilities that contain one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited in relation to financial liabilities.

Financial assets and financial liabilities at fair value through profit or loss are carried in the consolidated statement of financial position at fair value. Changes in fair value are recognised in the statement of comprehensive income.

Financial assets and financial liabilities measured at fair value through profit or loss are the following:

- Equity Investments are classified at fair value through profit or loss, with changes in fair value recognised in the statement of comprehensive income for the period.

Financial assets and financial liabilities measured at amortised cost:

Financial assets and financial liabilities measured at amortised cost are initially recognised at fair value, except for accounts receivables which are measured at transaction price, and are subsequently measured at amortised cost using the effective interest rate methodology, in respect of financial assets less allowance for impairment. A debt instrument is measured at amortised cost if the objective of the business model is to hold the financial asset for the collection of the contractual cash flows and the contractual cash flows under the instrument solely represent payments of principal and interest (SPPI). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the effective interest rate. Therefore, the Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of the loan, hence, recognising the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (prepayments, penalty interest and charges). If expectations are revised the adjustment is booked a positive or negative adjustment to the carrying amount in the statement of financial position with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest and similar income in the income statement.

Dividend income is recognised when the Group's right to receive the income is established, which is generally when shareholders of the underlying investee companies approve the dividend. Financial assets and financial liabilities measured at amortised cost are the following:

- Accounts payable and accrued expenses
- Short-term borrowings,
- Convertible bonds

(c) Fair value measurement

Fair value is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's-length transaction on the measurement date.

The Group does not have any instruments quoted in an active market. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

As the financial instruments of the Group are not quoted in an active market, the Group establishes their fair values using valuation techniques. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, estimated replacement costs and discounted cash flow analyses. The chosen valuation technique makes maximum use of market inputs, relies as little as possible on estimates specific to the Group, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument. The Group calibrates valuation techniques and tests them for validity using prices from observable current market transactions of similar instruments or based on other available observable market data.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received, unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the other instruments that are substantially the same or based on a valuation technique whose variables include only data from observable markets.

All changes in fair value of financial assets, other than interest and dividend income, are recognised in the consolidated statement of comprehensive income as change in fair value of financial instruments at fair value through profit or loss.

(d) Identification and measurement of impairment

IFRS 9 Financial Instruments requires the Group to measure and recognise impairment on financial assets at amortised cost based on Expected Credit Losses. The Group was required to revise its impairment methodology under IFRS 9 for each class of financial asset.

From 1 January 2018, the Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial. Investments held at fair value through profit or loss are not subject to IFRS 9 impairment requirements.

Loans receivable measured at amortised cost fall within the scope of ECL impairment under IFRS 9. As per IFRS 9, a loan has a low credit risk if the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and adverse changes in economic and business conditions in the longer term might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations. For loans that are low credit risk, IFRS 9 allows a 12-month expected credit loss to be recognised.

If the credit risk of the loan increases significantly and the resulting credit quality is not considered to be low credit risk, full lifetime expected losses are recognised. Lifetime expected credit losses are only recognised if the credit risk increases significantly from when the entity originates or purchases the financial instruments but that do not have objective evidence of a credit loss event.

The Group's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

(e) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability in the consolidated statement of financial position.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in the consolidated statement of comprehensive income.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

3.9 Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand and short-term deposits and other short-term highly liquid investments with remaining maturities at the time of acquisition of three months or less.

3.10 Loans and lending facilities

Loans and lending facilities comprise investments in unquoted interest-bearing debt instruments. They are carried at amortised cost. Interest receivable is included in accounts receivable and accrued income in note 5.

3.11 Property, plant and equipment

Property, plant and equipment, with the exception of works of art, held by the Group and its subsidiaries are stated at cost less accumulated depreciation and impairment. Depreciation is calculated at rates to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Office furniture and equipment	4 to 7 years
Motor vehicles	5 years

The carrying amounts are reviewed at each statement of financial position date to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount. Works of art are carried at their revalued amount, which is the fair value at the date of revaluation. Increases in the net carrying amount are recognised in the related revaluation surplus in shareholders' equity. Valuations of works of art are conducted with sufficient regularity to ensure the value correctly reflects the fair value at the statement of financial position date. Valuations are mostly based on active market prices, adjusted for any difference in the nature or condition of the specific asset.

3.12 Stated capital

Ordinary shares are classified as equity if they are non-redeemable, or redeemable only at CEIBA's option.

3.13 Acquisitions of subsidiary that is not a business

Where a subsidiary is acquired, via corporate acquisitions or otherwise, management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents the acquisition of a business.

Where such acquisitions are not judged to be an acquisition of a business, they are not treated as business combinations. Rather, the cost to acquire the corporate entity or assets and liabilities is allocated between the identifiable assets and liabilities (of the entity) based on their relative values at the acquisition date. Accordingly, no goodwill or deferred taxation arises.

3.14 Investments in associates

Investments in associates are accounted for using the equity method.

The carrying amount of the investment in associates is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in those entities. Where unrealized losses are eliminated, the underlying asset is also tested for impairment.

3.15 Assessment of investment entity status

Entities that meet the definition of an investment entity within IFRS 10 "Consolidated Financial Statements" are required to measure their subsidiaries at fair value through profit and loss rather than consolidate them. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Group's objective includes providing investment management services to investors to achieve capital growth and dividend income from direct and indirect investment in or with Cuban businesses, primarily in the tourism and commercial real estate sectors, and other revenue-generating investments primarily related to Cuba.

Although the principal income sources of the CEIBA is derived from the changes in fair value and dividends received from its equity investments, the Group is not limited to this type of investment. This is evidenced by CEIBA's wholly-owned subsidiary, GrandSlam Limited, that operates a travel agency providing Cuban related tourism products and services. The income from GrandSlam is shown on the face of the Consolidated Statement of Comprehensive Income as Travel Agency Commissions. Therefore the Group does not invest funds solely for returns from capital appreciation or investment income.

In addition to reviewing fair values, the Group also reports to its Directors, via internal management reports, various other performance indicators in relation to the operating performance of the investments. Therefore Management is not measuring and evaluating the performance of the investments solely on a fair value basis.

Accordingly, Management has concluded that the Group does not meet all the characteristics of an investment entity. These conclusions will be reassessed on a continuous basis, if any of these criteria or characteristics changes.

3.16 Assessment of venture capital organisation

There is no specific definition of a "venture capital organisation". However, venture capital organisations will commonly invest in start-up ventures or investments with long-term growth potential.

Venture capital organisations will also frequently obtain board representation for the investments that it has acquired an equity interest. The Group has representation on all of the board of directors of the joint venture companies in which it has an interest and participates in strategic policy decisions of its investments, but does not exercise management control.

Accordingly Management has concluded that the Group is a venture capital organisation and has applied the exemption in IAS 28 "Investments in Associates and Joint Ventures" to measures it investments in joint venture companies at fair value through profit or loss.

3.17 Going concern

The Directors have reviewed cash flow projections that detail revenue and liabilities and will continue to receive cashflow projections as part of the full-year reporting and monitoring processes. As a result, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and has significant liquid funds to do so. Accordingly, the Directors have adopted the going concern basis in preparing the financial statements.

3.18 Assessment of functional currency of parent company

An entity's functional currency is the currency of the primary economic environment in which the entity operates (i.e. the environment in which it primarily generates and expends cash). Any other currency is considered a foreign currency. Management has made an assessment of the primary economic environment of the parent company, CEIBA Investments Limited, and the currency of its principal income and expenses. Based on this assessment, Management has determined that the functional currency of the parent is US$.

3.19 Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host- with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

The embedded derivative relating to the option of the Bondholder to convert their holdings to Ordinary Shares of the Company, at any time, at a conversion price equal to the Euro equivalent of £1.043 (at the time of conversion, subject to adjustments) was determined by management to have no value at initial recognition and at year end.

The embedded derivative relating to the option of the issuer to repay the convertible bond from the end of year 3 is deemed to be closely related to the host contract and has therefore not been separated at initial recognition.

4. CASH AND CASH EQUIVALENTS

	31 Dec 2021 US$	31 Dec 2020 US$
Cash on hand	51,251	5,480
Bank current accounts	26,176,821	4,265,380
	26,228,072	4,270,860

5. ACCOUNTS RECEIVABLE AND ACCRUED INCOME

	31 Dec 2021 US$	31 Dec 2020 US$
Loan interest receivable	3,146,526	1,716,307
TosCuba deposit (i)	3,180,786	4,000,000
Other accounts receivable and deposits	329,493	449,733
Dividends receivable from Miramar S.A.	310,596	312,352
Dividends receivable from Inmobiliaria Monte Barreto S.A.	12,281,408	9,871,284
	19,248,809	16,349,676
Expected credit loss (refer to note 2.3)	(12,281,408)	-
	6,967,401	16,349,676
Current portion	3,821,068	14,581,229
Non-current portion	3,146,333	1,768,447

(i) TosCuba deposit relates to amount held in the bank account of TosCuba on behalf of CEIBA that will be applied against the TosCuba construction facility for the construction of the hotel.

Accounts receivable and accrued income have the following future maturities:

	31 Dec 2021 US$	31 Dec 2020 US$
Up to 30 days	106,235	553,216
Between 31 and 90 days	390,797	249,214
Between 91 and 180 days	92,810	5,336,284
Between 181 and 365 days	3,231,226	8,442,515
Over 365 days	3,146,333	1,768,447
	6,967,401	16,349,676

$12,592,004 of the accounts receivable and accrued income balance is made up of dividends receivable. The impairment on the dividends receivable has been assessed as low in the case of Miramar and high in the case of Monte Barreto in terms of the 3 stage model per IFRS 9 by assessing the credit risk of the counterparty who declared the dividend. The delay in payment of the dividends receivable from Monte Barreto is due in part to the current liquidity position of the Cuban financial system caused by the pandemic, increased U.S. sanctions and the transitional effects of the Cuban monetary reforms. In the current year, the overall credit risk for Monte Barretto has significantly increased from the preceding year. This has resulted in the receivable moving from Stage 2 to Stage 3 of the IFRS ECL impairment model in the current year, which therefore requires management to assess the expected credit loss over time. Accordingly in the current year management has made an assessment of the expected credit loss over timetaking into account all reasonable and supportable information that is available that includes both internal and external information.

Due to the current liquidity constraints placed upon Monte Barreto as a result of the recent Cuban monetary reforms, the timing of receipt of historical dividends receivable is uncertain amounting to US$12,281,408 (2020: US$9,871,284). Therefore, the dividends receivable from Monte Barreto at year end have been impaired in full in the Statement of Comprehensive Income. However, in the case of Miramar, the same liquidity constraints do not apply under the monetary reforms due to a large portion of its income being earned in foreign currency and therefore Miramar has been assigned a higher credit rating. Management expects to receive the full amount of dividends receivable from Miramar in due course.

In the prior year, the overall credit risk for Toscuba significantly increased from the preceding year due to COVID 19 and the resulting prevailing economic conditions. This resulted in the receivable moving from Stage 1 to Stage 2 of the IFRS ECL impairment model (where it remains), which therefore requires management to assess the expected credit loss over the lifetime of the receivable. Accordingly in the current year management has made an assessment of the expected credit loss over the lifetime of the receivable taking into account all reasonable and supportable information that is available that includes both internal and external information and this has resulted in an assessed expected credit loss that is immaterial to the Group. Management believes the probability of default is low (see note 6).

Other accounts receivable and deposits are assessed in terms of the simplified approach for expected credit losses per IFRS 9 due to the trade receivables not containing a significant financing component. These relate to the receivables of the travel agency activities of GrandSlam, a wholly owned subsidiary of the Group.

The total amount of credit impaired receivables at year end is $12,281,408 related to the balance of the dividend receivable due from Monte Barrreto.

6. LOANS AND LENDING FACILITIES

	31 Dec 2021 US$	31 Dec 2020 US$
TosCuba S.A. (i)	18,708,861	16,106,466
Casa Financiera FINTUR S.A. (ii)	1,943,760	2,110,795
Miramar Facility (iii)	1,338,673	2,005,374
Grupo B.M. Interinvest Technologies Mariel S.L. (iv)	566,316	-
	22,557,610	20,222,635
CURRENT PORTION	3,372,086	2,827,292
NON-CURRENT PORTION	19,185,524	17,395,343

(i) In April 2018, the Group entered into a construction finance facility agreement (the "Construction Facility") with TosCuba S.A. ("TosCuba") for the purpose of extending to TosCuba part of the funding necessary for the construction of the Meliã Trinidad Península Hotel. The Construction Facility was originally executed in the maximum principal amount of up to US$45,000,000, divided into two separate tranches of US$22,500,000 each. The terms of the facility were amended in August 2021 to take into account the new construction process and other circumstances and in particular the maximum principal amount of Tranche B thereof was increased to US$29,000,000. The increased principal of Tranche B includes an amount of US$4 million that may be used for the purchase of equipment needed by the relevant Cuban utility companies to ensure the provision of the required water and electrical services to the hotel. The Group has an 80% participation in Tranche A of the Construction Facility and a 100% participation in Tranche B. The Group has the right to syndicate Tranche B of the Construction Facility to other lenders.

The principal terms of the Construction Facility include, (i) a grace period for principal and interest during the construction period of the hotel, (ii) upon expiry of the grace period, accumulated interest will be repaid, followed by a repayment period of eight years during which blended payments of principal and interest will be made, (iii) interest will accrue on amounts outstanding under the Construction Facility at the rate of 8 per cent.

The first disbursement under the Construction Facility was made on 23 November 2018. Repayment of the Construction Facility is secured by an assignment in favour of the lenders of all of the future income of the Meliã Trinidad Península Hotel following start-up of operations. In addition, Tranche B of the Construction Facility is also secured by a guarantee provided by Cubanacán S.A., Corporaciön de Turismo y Comercio Internacional ("Cubanacán" - the Cuban shareholder of TosCuba) as well as by Cubanacán's dividend entitlements in Miramar.

The Construction Facility represents a financial asset, based on the terms of the loan the loan is not repayable on demand and there is no expectation to be repaid within 12 months since there is a grace period during the construction period of the hotel and a further 8 year payment period. In the prior year, the credit risk significantly increased due to COVID 19 and the resulting prevailing economic conditions. The loan is assessed at Stage 2 (same as for the year ended 31 December 2020) of the IFRS ECL impairment model which therefore requires management to assess the expected credit loss over the lifetime of the loan. Accordingly, management has made an assessment of the expected credit loss over the lifetime of the loan taking into account all reasonable and supportable information that is available that includes both internal and external information and this has resulted in an assessed expected credit loss that is immaterial to the Group. Management believes the probability of default is low due to the fact that the repayment of the facility is secured by the future income of the hotel which will be in the form of Euro-denominated off-shore tourism proceeds payable to TosCuba. As well repayment of Tranche B has also been guaranteed by Cubanacán and is further secured by Cubanacán's dividend entitlements in Miramar. Payments of the facility are scheduled to begin once the hotel starts operations.

(ii) In July 2016, the Group arranged and participated in a €24,000,000 (US$27,182,400 equivalent at 31 December 2021) syndicated facility provided to Casa Financiera FINTUR S.A. ("FINTUR"). The facility was subsequently amended in May 2019 through the addition of a second tranche in the principal amount of €12,000,000 (US$13,591,200 equivalent at 31 December 2021). The Group had an initial participation of €4,000,000 (US$4,530,400 equivalent at 31 December 2021) under the first tranche and a €2,000,000 (US$2,265,200 equivalent at 31 December 2021) participation under the second tranche. The term of the facility was due to expire in June 2021 but, with the closure of nearly all Cuban hotels as a result of the Covid-19 pandemic, an additional grace period was granted and the term was extended to March 2023. The facility has a fixed interest rate of 8%, and under the renegotiated terms interest was accumulated until 31 December 2020 and then paid in quarterly instalments. With effect from 1 April 2020, the Company and FINTUR agreed to revise the remaining outstanding payments under the FINTUR facility (combining the two tranches into a new single tranche C) and to provide a one-year period of grace on the payment of principal, with a two-year principal payment period thereafter. The first principal payment of the new Tranche C fell due on 30 June 2021 but subsequently the principal payments of 30 June, 30 September and 31 December 2021 were waived and have been prorated amongst the remaining scheduled principal payment dates as a result of the continued closure of the hotels serving as security for payment of the facility. The payment of interest on the facility was current at 31 December 2021. This facility is secured by Euro-denominated off-shore tourism proceeds payable to FINTUR by certain international hotel operators managing hotels in Cuba. The loan to FINTUR represents a financial asset. The loan is not repayable on demand. In the prior year, the FINTUR facility had a significant increase in credit risk since its initial recognition. The loan is assessed at Stage 2 (same as for the year ended 31 December 2020) of the IFRS ECL impairment model which therefore requires management to assess the expected credit loss over the lifetime of the loan. Accordingly, management has made an assessment of the expected credit loss over the lifetime of the loan taking into account all reasonable and supportable information that is available that includes both internal and external information and this has resulted in an assessed expected credit loss that is immaterial to the Group.

(iii) The Company's subsidiary HOMASI (the foreign shareholder of Miramar) executed a US$7 million confirming and discounting facility with Miramar for the purpose of confirming and discounting supplier invoices relating to the operations of the four Hotels owned by the joint venture company. The facility is financed in part by a €3.5 million credit line received by HOMASI from a Spanish bank for this purpose. The facility is secured by the cash flows generated by the Hotels of Miramar. At 31 December 2021, a total of €1,181,947 (US$1,338,673) was disbursed under the facility. The loan is not repayable on demand. In the prior year, the Miramar facility had a significant increase in credit risk since its initial recognition. The loan is assessed at Stage 2 (same as for the year ended 31 December 2020) of the IFRS ECL impairment model which therefore requires management to assess the expected credit loss over the lifetime of the loan. Accordingly management has made an assessment of the expected credit loss over the lifetime of the loan taking into account all reasonable and supportable information that is available that includes both internal and external information and this has resulted in an assessed expected credit loss that is immaterial to the Group.

(iv) In May 2021, the Group entered into a Convertible Loan Agreement in the principal amount of €500,000 (US$566,316) with Grupo B.M. Interinvest Technologies Mariel S.L. ("GBM Mariel"). The loan has an annual interest rate of 5% and an original term of 6 months which was subsequently extended to 1 year in November 2021. The loan principal and accrued interest is convertible into common shares of GBM Mariel following the conversion of the company from an S.L. (limited liability company) to a S.A. (company limited by shares). No assessment of the ECL associated with the convertible loans was done by the Group as the balance is immaterial.

The following table details the expected maturities of the loans and lending facilities portfolio based on contractual terms:

	31 Dec 2021 US$	31 Dec 2020 US$
Up to 30 days	-	555,101
Between 31 and 90 days	817,597	1,365,797
Between 91 and 180 days	1,181,363	404,897
Between 181 and 365 days	1,373,126	501,497
Over 365 days	19,185,524	17,395,343
	22,557,610	20,222,635

7. EQUITY INVESTMENTS

	31 Dec 2021 US$	31 Dec 2020 US$
Miramar S.A.	94,511,908	103,184,163
Inmobiliaria Monte Barreto S.A.	67,692,462	81,433,887
TosCuba S.A.	13,623,664	13,000,000
	175,828,034	197,618,050

	Miramar (i) US$	Monte Barreto US$	TosCuba (ii) US$	Total US$
BALANCE AT 31 DECEMBER 2019	127,887,983	86,702,576	12,750,000	227,340,559
Foreign currency translation reserve	12,191,767	-	-	12,191,767
Change in fair value of equity investments	(36,895,587)	(5,268,689)	250,000	(41,914,276)
BALANCE AT 31 DECEMBER 2020	103,184,163	81,433,887	13,000,000	197,618,050
Foreign currency translation reserve	(7,946,299)	-	-	(7,946,299)
Change in fair value of equity investments	(725,956)	(13,741,425)	623,664	(13,843,717)
BALANCE AT 31 DECEMBER 2021	94,511,908	67,692,462	13,623,664	175,828,034

(i) The value of Miramar represents the 50% foreign equity interest in Miramar S.A. including non-controlling interests.

(ii) The value of TosCuba represents the 50% foreign equity interest in TosCuba S.A. including non-controlling interests.

Below is a description of the equity investments of the Group and the key assumptions used to estimate their fair values.

Monte Barreto

The Group holds the full foreign equity interest of 49% in the Cuban joint venture company Monte Barreto, incorporated in 1996 for the construction and subsequent operation of the Miramar Trade Centre. The Miramar Trade Centre is a six-building complex comprising approximately 80,000 square meters of constructed area of which approximately 56,000 square meters is net rentable area.

The Group is the sole foreign investor in Monte Barreto and holds its 49% interest in the joint venture company through its wholly-owned subsidiary CEIBA MTC Properties Inc. ("CEIBA MTC"), incorporated in Panama. The remaining 51% interest in Monte Barreto is held by the Cuban partner in the joint venture company.

The incorporation and operations of Monte Barreto are governed by a deed of incorporation (including an association agreement and corporate by-laws) dated 7 March 1996 between CEIBA MTC and the Cuban shareholder. Under the Monte Barreto deed of incorporation, Monte Barreto was incorporated for an initial term of 50 years expiring in 2046. All decisions at shareholder meetings require the unanimous agreement of the Cuban and foreign shareholders.

Key assumptions used in the estimated fair value of Monte Barreto:

The fair value of the equity investment in Monte Barreto is determined by the Directors of CEIBA taking into consideration various factors, including estimated future cash flows from the investment, estimated replacement costs, transactions in the private market and other available market evidence to arrive at an appropriate value. The Group also engages an independent valuation firm to perform an independent valuation of the property owned by the joint venture.

The Directors may also take into account additional relevant information that impacts the fair value of the equity investment that has not been considered in the valuation of the underlying property of the joint venture. One such fair value consideration is cash held by the joint venture in excess of its working capital needs ("Excess Cash"). As the valuation of the underlying property only assumes a level of working capital to allow for day-to-day operations, the existence of any Excess Cash needs to be included as an additional component of the fair value of the joint venture company.

In the case of Monte Barreto, the amount of cash required for working capital needs is estimated as the sum of: (i) 30% of tenant deposits, (ii) taxes payable, (iii) dividends declared and payable, (iv) a reserve for employee bonuses, and (v) 2 months of estimated operating expenses. The sum of these amounts are deducted from the balance of cash and cash equivalents of the joint venture with the remaining balance, if any, being considered Excess Cash. At 31 December 2021, the amount of Excess Cash that is included in the fair value of Monte Barreto stated in these financial statements is US$9,529,462 (2020: US$2,494,887).

Cash flows have been estimated for a ten year period. Cash flows from year 11 onward are equal to the capitalised amount of the cash flows at year 10. The key assumptions used in the discounted cash flow model are the following:

	31 Dec 2021	31 Dec 2020
Discount rate (after tax) (i)	12.8%	9.8%
Occupancy year 1	96.2%	97.3%
Average occupancy year 2 to 8	96.5%	97.3%
Occupancy year 8 and subsequent periods	97.0%	97.5%
Average rental rates per square meter per month – year 1 to 6	US$26.33	US$27.23
Annual increase in rental rates subsequent to year 6 (ii)	2.5%	2.5%
Capital investments as percentage of rental revenue	3%	3%

(i) The effective tax rate is estimated to be 19% (2020: 19%).

(ii) The increase in rental rates in subsequent periods is in-line with the estimated rate of long-term inflation.

Miramar

HOMASI is the foreign shareholder (incorporated in Spain) that owns a 50% share equity interest in the Cuban joint venture company Miramar, which owns the Meliã Habana Hotel in Havana, a 5-star hotel that has 397 rooms. Miramar also owns three beach resort hotels in Varadero known as the Meliã Las Americas, Meliã Varadero and Sol Palmeras Hotels, having an aggregate total of 1,437 rooms (the "Varadero Hotels"). The Meliã Las Americas Hotel and Bungalows is a 5-star luxury beach resort hotel with 340 rooms, including 90 bungalows and 14 suites and began operations in 1994. The 5-star Meliã Varadero Hotel is located next to the Meliã Las Americas Hotel and has 490 rooms, including 7 suites and began operations in 1992. The 4-star Sol Palmeras Hotel is located next to the Meliã Varadero Hotel and has 607 rooms, including 200 bungalows, of which 90 are of suite or deluxe standard and began operations 1990. The remaining share equity interest in Miramar is held by Cubanacán (as to 50%). All decisions at shareholder meetings require the unanimous agreement of the Cuban and foreign shareholders. In 2018, the surface rights for the four hotels of Miramar were extended / granted to 2042.

At 31 December 2021 the Group holds 65% of the share equity of HOMASI, representing a 32.5% interest in Miramar. The remaining 35% interest in HOMASI is held by Meliã Hotels International, representing a 17.5% interest in Miramar, and has been accounted for as a non-controlling interest in these consolidated financial statements.

Key assumptions used in the estimated fair value of Miramar:

The fair value of the equity investment in Miramar is determined by the Directors taking into consideration various factors, including estimated future cash flows from the investment in US$, estimated replacement costs, transactions in the private market and other available market evidence to arrive at an appropriate value. The Group also engages an independent valuation firm to perform independent valuations in US$ of the properties held by the joint venture.

The Directors may also take into account additional relevant information that impacts the fair value of the equity investment that has not been considered in the valuations of the underlying properties of the joint venture. One such fair value consideration is cash held by the joint venture in excess of its working capital needs. As the valuations of the underlying properties only assume a level of working capital to allow for day-to-day operations, the existence of any Excess Cash needs to be included as an additional component of the fair value of the joint venture company.

In the case of Miramar, the amount of cash required for working capital needs is estimated as the sum of: (i) taxes payable, (ii) dividends declared and payable, (iii) trade payables greater than 90 days outstanding, and (iv) 2 months of estimated operating expenses. The sum of these amounts is deducted from the balance of cash and cash equivalents of the joint venture with the remaining balance, if any, being considered Excess Cash. At 31 December 2021, the amount of Excess Cash that is included in the fair value of Miramar stated in these financial statements is US$10,411,908 (2020: US$12,984,162). Cash flows have been estimated for a ten year period. Cash flows from year 11 onward are equal to the capitalised amount of the cash flows at year 10. The key assumptions used in the discounted cash flow model are the following:

Meliã Habana	31 Dec 2021	31 Dec 2020
Discount rate (after tax) (i)	14.7%	12.5%
Average occupancy year 1 to 3	60.0%	60.3%
Occupancy year 4 and subsequent periods	70.0%	72.2%
Average daily rate per guest – year 1	US$127.50	US$134.19
Average increase in average daily rate per guest – year 2 to 6	6.1%	4.9%
Increase in average daily rate per guest subsequent to year 6 (ii)	3.0%	2.5%
Capital investments as percentage of total revenue	7%	7%

Meliã Las Américas	31 Dec 2021	31 Dec 2020
Discount rate (after tax) (iii)	14.4%	12.9%
Average occupancy years 1 to 3	60%	63%
Occupancy year 4 and subsequent periods	79.3%	79.5%
Average daily rate per guest – year 1	US$120.56	US$110.93
Average increase in average daily rate per guest – year 2 to 6	10.6%	11%
Increase in average daily rate per guest subsequent to year 6 (ii)	3.0%	2.5%
Capital investments as percentage of total revenue	7%	7%

Meliã Varadero	31 Dec 2021	31 Dec 2020
Discount rate (after tax) (iii)	14.4%	12.9%
Average occupancy years 1 to 3	62.3%	64.6%
Occupancy year 4 and subsequent periods	79.3%	80.3%
Average daily rate per guest – year 1	US$108.02	US$97.88
Average increase in average daily rate per guest – year 2 to 6	4.9%	6%
Increase in average daily rate per guest subsequent to year 6 (ii)	3.0%	2.5%
Capital investments as percentage of total revenue	7%	7%

Sol Palmeras	31 Dec 2021	31 Dec 2020
Discount rate (after tax) (iii)	14.4%	12.9%
Average occupancy years 1 to 3	66.3%	65.1%
Occupancy year 4 and subsequent periods	80.7%	81.8%
Average daily rate per guest – year 1	US$94.91	US$86.75
Increase in average daily rate per guest – year 2	5%	12%
Average increase in average daily rate per guest – year 3 to 6	3.1%	5%
Increase in average daily rate per guest subsequent to year 6 (ii)	3.0%	2.5%
Capital investments as percentage of total revenue	7%	7%

(i) The effective tax rate is estimated to be 19% (2020: 19%).

(ii) The increase in the average daily rate per guest in subsequent periods is in-line with the estimated rate of long-term inflation.

(iii) The effective tax rate is estimated to be 21% (2020: 21%).

Sensitivity to changes in the estimated rental rates / average daily rates

The discounted cash flow models include estimates of the future rental rates / average daily rates of the joint venture companies. Actual rental rates / average daily rates may differ from these estimates due to several factors including the general business climate and economic conditions, the strength of the overall tourism market and the influence of competitors. Therefore, the following tables detail the change in fair values of the equity investments, when applying what Management considers to be the reasonable possible spread in rental rates / average daily rates of between 15% lower and 15% higher compared to the rates used in these consolidated financial statements.

The following table details the fair values of the equity investments at 31 December 2021 when applying lower rental rates / average daily rates:

	Financial statements US$	-5% US$	-10% US$	-15% US$
Monte Barreto	67,692,462	64,822,429	61,952,395	59,082,362
Miramar	94,511,908	90,812,298	87,106,569	83,384,347

The following table details the fair values of the equity investments at 31 December 2021 when applying higher rental rates / average daily rates:

	Financial statements US$	+5% US$	+10% US$	+15% US$
Monte Barreto	67,692,462	70,562,495	73,432,528	76,302,561
Miramar	94,511,908	98,211,518	101,911,129	105,610,740

The following table details the fair values of the equity investments at 31 December 2020 when applying lower rental rates / average daily rates:

	Financial statements US$	-5% US$	-10% US$	-15% US$
Monte Barreto	81,433,887	77,430,040	73,426,194	69,422,348
Miramar	103,184,163	99,236,033	95,287,903	91,330,479

The following table details the fair values of the equity investments at 31 December 2020 when applying higher rental rates / average daily rates:

	Financial statements US$	+5% US$	+10% US$	+15% US$
Monte Barreto	81,433,887	85,437,733	89,441,579	93,445,426
Miramar	103,184,163	107,132,293	111,080,424	115,028,555

Sensitivity to changes in the occupancy rates

The discounted cash flow models include estimates of the future occupancy rates of the joint venture companies. Actual occupancy rates may differ from these estimates due to several factors including the general business climate and economic conditions, the strength of the overall tourism market and the influence of competitors. Therefore, the following tables detail the change in fair values of the equity investments, when applying what Management considers to be the reasonable possible spread in occupancy rates of between 15% lower and 15% higher compared to the rates used in these consolidated financial statements.

The following table details the fair values of the equity investments at 31 December 2021 when applying lower occupancy rates:

	Financial statements US$	-5% US$	-10% US$	-15% US$
Monte Barreto	67,692,462	64,839,935	61,988,052	59,136,932
Miramar	94,511,908	89,683,071	84,828,731	79,946,598

The following table details the fair values of the equity investments at 31 December 2021 when applying higher occupancy rates:

	Financial statements US$	+5% US$	+10% US$	+15% US$
Monte Barreto (i)	67,692,462	69,620,366	n/a	n/a
Miramar	94,511,908	99,340,746	104,169,585	108,998,426

(i) In the case of Monte Barreto, only a constant occupancy rate of 100% is shown under the increase of 5% as projected occupancy is already above or equal to 95%.

The following table details the fair values of the equity investments at 31 December 2020 when applying lower occupancy rates:

	Financial statements US$	-5% US$	-10% US$	-15% US$
Monte Barreto	81,433,887	77,438,281	73,442,960	69,447,975
Miramar	103,184,163	98,256,156	93,324,630	88,330,847

The following table details the fair values of the equity investments at 31 December 2020 when applying higher occupancy rates:

	Financial statements US$	+5% US$	+10% US$	+15% US$
Monte Barreto (i)	81,433,887	86,441,244	n/a	n/a
Miramar	103,184,163	108,112,170	113,040,178	117,968,186

(i) In the case of Monte Barreto, only a constant occupancy rate of 100% is shown under the increase of 5% as projected occupancy is already above or equal to 95%.

Sensitivity to changes in the discount and capitalisation rates

The discount and capitalisation rates used in the discounted cash flow models have been estimated taking into account various factors including the current risk-free interest rate, country risk rate and other industry factors. Different methodologies or assumptions may lead to an increase or decrease in the discount and capitalisation rates. Therefore, the following tables detail the change in fair values of the equity investments when applying what Management considers to be the reasonable possible spread in the discount and capitalisation rates of between 3% lower and 3% higher compared to the rates used in these consolidated financial statements. The following table details the fair values of the equity investments at 31 December 2021 when applying lower discount and capitalization rates:

	Financial statements US$	-1% US$	-2% US$	-3% US$
Monte Barreto	67,692,462	73,048,490	79,662,418	88,048,776
Miramar	94,511,908	102,737,618	112,607,405	124,671,680

The following table details the fair values of the equity investments at 31 December 2021 when applying higher discount and capitalization rates:

	Financial statements US$	+1% US$	+2% US$	+3% US$
Monte Barreto	67,692,462	63,261,635	59,531,353	56,344,447
Miramar	94,511,908	87,550,431	81,582,595	76,410,376

The following table details the fair values of the equity investments at 31 December 2020 when applying lower discount and capitalization rates:

	Financial statements US$	-1% US$	-2% US$	-3% US$
Monte Barreto	81,433,887	92,593,656	107,725,093	129,348,178
Miramar	103,184,163	113,376,155	125,923,155	141,725,407

The following table details the fair values of the equity investments at 31 December 2020 when applying higher discount and capitalization rates:

	Financial statements US$	+1% US$	+2% US$	+3% US$
Monte Barreto	81,433,887	72,875,764	66,111,224	60,633,360
Miramar	103,184,163	94,749,345	87,659,357	81,620,744

Sensitivity to changes in the estimation of Excess Cash

The fair values of the equity investments have been estimated using the discounted cash flow method and adjusted for the Excess Cash held by the joint venture companies. Within the calculation of Excess Cash, it is estimated that the joint ventures will maintain a sufficient cash balance for working capital purposes equal to the equivalent of two months' operating expenses.

The amount of cash on hand required for working capital purposes may fluctuate due to a change in the aging of receivables and payables of the joint venture companies. Management believes that the maximum amount of cash that would be required to be kept on hand would not exceed three months of operating expenses. Therefore the following table details the changes in fair values of the equity investments at 31 December 2021 if the number of months of operating expenses used in the calculation is increased by an additional 1 to 3 months in comparison to the calculation used in these consolidated financial statements.

	Financial statements US$	+1 month US$	+2 months US$	+3 months US$
Monte Barreto	67,692,462	67,479,165	67,265,868	67,052,571
Miramar	94,511,908	92,633,477	90,755,047	88,876,616

The following table details the changes in fair values of the equity investments at 31 December 2020 if the number of months of operating expenses used in the calculation is increased by an additional 1 to 3 months in comparison to the calculation used in these consolidated financial statements.

	Financial statements US$	+1 month US$	+2 months US$	+3 months US$
Monte Barreto	81,433,887	81,195,665	80,957,443	80,719,222
Miramar	103,184,163	101,161,741	99,139,318	97,116,896

A reduction in the number of months of operating expenses used in the calculation would increase the changes in fair values of the equity investments at 31 December 2021 and 2020, however this is considered unlikely and therefore the related sensitivities have not been shown.

TosCuba

At 31 December 2021 and 2020 the Group owned an indirect 80% interest in Mosaico Hoteles S.A. ("Mosaico Hoteles"), which in turn has a 50% share equity interest in TosCuba, a Cuban joint venture company that is developing a 400 room 4-star hotel at Playa Maria Aguilar near the city of Trinidad, Cuba. The Group has made capital contributions of US$8,000,000 (2020: US$8,000,000) to TosCuba.

In 2019, TosCuba was awarded a US$10 million grant under the Spanish Cuban Debt Conversion Programme, a Spanish-Cuba initiative aimed at promoting Spanish private sector investments in Cuba under which outstanding bilateral debts owed to Spain by Cuba may be settled through awards granted to investment projects in Cuba from a special countervalue fund created for this purpose. In 2021, TosCuba was awarded an additional US$1,247,328 under the programme. Under these awards, local currency invoices relating to services and materials received in Cuba in the course of constructing the projects are paid from the countervalue fund on behalf of the joint venture. As of 31 December 2021, TosCuba has received cash grants under the programme totalling US$11,247,328 (2020: US$10,000,000). The 50% interest of the Group in amounts received under the programme by TosCuba have been recorded as a change in the fair value in the investment in TosCuba.

The capital contributions made by the Company plus its share of the cash grants received by Toscuba under the Spanish Cuban Debt Conversion Programme have been determined to be the best observable measure of the Company's interest in the fair value of Toscuba. The construction has been progressing slowly since the beginning of the Covid-19 pandemic in March 2020. As at 31 December 2021, all structural works have been completed and the project has reached an overall completion level of approximately 63% and it is estimated that the construction will be completed by the first quarter of 2023. Taking into consideration the estimated cost to completion, the projected value of the hotel upon completion, the projected value of the hotel upon completion and current debt level of Toscuba, the Directors determined that the cost to date on the project approximates the fair value of Toscuba.

Dividend income from equity investments

Dividend income from the equity investments above during the year is as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Monte Barreto	2,550,124	6,948,316
Miramar	500,000	6,310,596
	3,050,124	13,258,912

Financial information of joint venture companies

The principal financial information of the joint venture companies for the years ended 31 December 2021 and 2020 is as follows:

	Monte Barreto (i) US$		Miramar (i) US$		TosCuba (ii) US$	
	2021 US$ 000's	2020 US$ 000's	2021 US$ 000's	2020 US$ 000's	2021 US$ 000's	2020 US$ 000's
Cash and equivalents	42,366	26,725	39,340	42,908	4,026	4,049
Other current assets	1,666	1,480	21,705	16,943	4,028	3,718
Non-current assets	45,419	46,865	131,653	135,464	54,163	48,459
Current financial liabilities	27,428	23,450	16,610	15,659	2,026	1,874
Other current liabilities	-	-	-	-	-	-
Non-current financial liabilities	3,820	3,696	569	1,055	32,958	28,352
Other non-current liabilities	-	-	-	-	-	-
Revenue	22,557	23,390	19,546	29,379	-	-
Interest income	692	62	-	-	-	-
Interest expense	-	-	-	-	-	-
Depreciation and amortisation	1,653	1,656	7,255	7,396	-	-
Taxation paid (recovered)	2,754	2,533	(2,226)	-	-	-
Profit (loss) from continuing operations	15,600	14,378	(9,578)	(3,511)	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income (loss)	15,600	14,378	(9,578)	(3,511)	-	-

(i) Figures obtained from financial statements prepared under IFRS.

(ii) Figures obtained from financial statements prepared under Cuban GAAP. The difference in accounting standard has no impact in the consolidated financial statements.

8. INVESTMENT IN ASSOCIATE

	31 Dec 2021 US$	31 Dec 2020 US$
Grupo B.M. Interinvest Technologies Mariel S.L.	303,175	303,175
	303,175	303,175

At 31 December 2021 and 2020 the Group owned an indirect 50% share equity interest in Grupo BM Interinvest Technologies Mariel S.L. ("GBM Mariel"), a Spanish company that is developing a new multi-phase industrial and logistics park real estate project in the Special Development Zone of Mariel, Cuba. The Group has made capital contributions of US$303,175 (2020: US$303,175) to GBM Mariel. The Company does not control GBM Mariel and has therefore accounted for its interest as an investment in associate. This is evidenced by the fact that only two of the five directors of GBM Mariel are represented by the Company and all major decisions require approval of 51% of the shareholders of GBM Mariel.

9. PROPERTY, PLANT AND EQUIPMENT

	Motor vehicles US$	Office furniture and equipment US$	Works of art US$	Total US$
Cost:				
At 1 January 2020	374,502	185,887	463,300	1,023,689
Additions	-	4,897	-	4,897
At 31 December 2020	374,502	190,784	463,300	1,028,586
Additions	-	11,802	-	11,802
At 31 December 2021	374,502	202,586	463,300	1,040,388
Accumulated Depreciation:				
At 1 January 2020	319,938	135,405	-	455,343
Charge	22,372	17,273		39,645
At 31 December 2020	342,310	152,678	-	494,988
Charge	12,243	17,549		29,792
At 31 December 2021	354,553	170,227	-	524,780
Net book value:				
At 1 January 2020	54,564	50,482	463,300	568,346
At 31 December 2020	32,192	38,106	463,300	533,598
At 31 December 2021	19,949	32,359	463,300	515,608

10. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	31 Dec 2021 US$	31 Dec 2020 US$
Due to shareholders	5,457	5,926
Due to Meliã Hotels International	10,878	176,941
Due to Miramar	801,426	-
Accrued professional fees	312,921	223,349
Management fees payable (see note 17)	2,978,727	1,565,065
Other accrued expenses	221,877	186,127
Other accounts payable	15,901	57,891
	4,347,187	2,215,299
Current portion	4,347,187	1,085,590
Non-current portion	-	1,129,709

The future maturity profile of accounts payable and accrued expenses is as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Up to 30 days	1,124,902	179,136
Between 31 and 90 days	1,540,653	-
Between 91 and 180 days	521,779	606,842
Between 181 and 365 days	1,159,853	299,612
Over 365 days	-	1,129,709
	4,347,187	2,215,299

11. SHORT-TERM BORROWINGS

	31 Dec 2021 US$	31 Dec 2020 US$
Short-term finance facility (i)	1,004,673	-
	1,004,673	-

(i) The amount represents the balance outstanding of a €3.5 million credit line received by HOMASI from a Spanish bank for the purpose of financing the Miramar confirming and discounting facility (see note 6).

12. CONVERTIBLE BONDS

	31 Dec 2021 US$	31 Dec 2020 US$
Convertible bonds issued (i)	29,312,500	-
Foreign exchange movements	(1,013,147)	-
	28,299,353	-
Current portion	-	-
Non-current portion	28,299,353	-

(i) On 31 March 2021, the Company completed the issue of €25,000,000 (US$29,312,500 equivalent at date of issue) 10.00% senior unsecured convertible bonds ("Bonds"). The Bonds were listed on The International Stock Exchange (Channel Islands) on 13 April 2021. The Bonds have a term of 5 years expiring on 31 March 2026, an interest rate of 10.00%, payable quarterly, and are convertible at the option of the Bondholder to Ordinary Shares of the Company, at any time, at a conversion price equal to the Euro equivalent of £1.043 (at the time of conversion, subject to adjustments).

After three years, the Company may redeem the Bonds in advance of their expiry in principal amounts of €2,500,000 or multiples thereof.

The interest expense related to the Bonds during the year was US$2,176,931.

The future maturity profile of the Bonds is as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Greater than 365 days	28,299,353	-
	28,299,353	-

13. STATED CAPITAL AND NET ASSET VALUE

Authorised

The Group has the power to issue an unlimited number of shares. The issued shares of the Group are ordinary shares of no par value.

Issued

The following table shows the movement of the issued shares during the year:

	Number of ordinary shares	Stated capital US$
STATED CAPITAL		
Stated capital at 31 December 2020	137,671,576	106,638,023
Stated capital at 31 December 2021	137,671,576	106,638,023

Net asset value

The net asset value attributable to the shareholders of the Group ("NAV") is calculated as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Total assets	232,399,900	239,297,994
Total liabilities	(35,484,546)	(5,048,632)
Less: non-controlling interests	(36,592,765)	(39,823,748)
NAV	160,322,589	194,425,614
Number of ordinary shares issued	137,671,576	137,671,576
NAV PER SHARE	1,16	1.41

Non-controlling interest

At 31 December 2021, the non-controlling interest corresponds to the 35% participation of Meliã Hotels International in the equity of HOMASI and the 20% participation of Meliã Hotels International in the equity of Mosaico Hoteles.

The non-controlling interests in the above companies are as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Non-controlling interest in HOMASI	33,923,378	37,235,538
Non-controlling interest in Mosaico Hoteles	2,669,387	2,588,210
Total non-controlling interests	36,592,765	39,823,748

The movement of the non-controlling interests is as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Initial balance	39,823,748	49,381,639
Interest of non-controlling interest in net loss	(124,248)	(10,216,756)
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods	(2,849,067)	4,038,410
Cash distribution to non-controlling interest	(257,668)	(3,463,951)
Capital contributions from non-controlling interest	-	84,406
Final balance	36,592,765	39,823,748

The movement of the non-controlling interests of HOMASI is as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Initial balance	37,235,538	46,878,858
Interest of non-controlling interest in net (loss)/income	(205,425)	(10,217,779)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	(2,849,067)	4,038,410
Cash distribution to non-controlling interest	(257,668)	(3,463,951)
Final balance	33,923,378	37,235,538

The movement of the non-controlling interests of Mosaico Hoteles is as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Initial balance	2,588,210	2,502,781
Interest of non-controlling interest in net income	81,177	1,023
Capital contributions from non-controlling interest	-	84,406
Final balance	2,669,387	2,588,210

The principal financial information of HOMASI and Mosaico Hoteles for the years ended 31 December 2021 and 2020 is as follows:

	HOMASI		Mosaico Hoteles	
	2021 US$ 000's	2020 US$ 000's	2021 US$ 000's	2020 US$ 000's
Current assets	4,313	3,347	256	24
Non-current assets	94,526	103,184	13,624	13,000
Current liabilities	(1,915)	(144)	(533)	(83)
Equity	(96,924)	(106,387)	(13,347)	(12,941)
Income	861	6,311	633	250
Expenses	(2,184)	(46,055)	(227)	(245)
Depreciation	-	-	-	-
Taxation	-	-	-	-
Net (loss)/income for the year	(1,323)	(39,744)	406	(5)
Other comprehensive (loss)/income	(8,140)	12,192	-	-
Total comprehensive (loss)/income	(9,463)	(27,552)	406	(5)

14. REPORTABLE OPERATING SEGMENTS

IFRS 8 requires the Group to report on where primary business activities are engaged and where the Group earns revenue, incurs expenses and where operating results are reviewed by chief operating decision makers about resources allocated to the segment and assess its performance and for which discrete financial information is available. The primary segment reporting format of the Group is determined to be business segments as the Group's business segments are distinguishable by distinct financial information provided to and reviewed by the chief operating decision makers in allocating resources arising from the products or services engaged by the Group. No geographical information is reported since all investment activities are located in Cuba and all revenues are generated from assets held in Cuba. The operating businesses are organised and managed separately through different companies. For management purposes, the Group is currently organised into three business segments:

- *Commercial property:* Activities concerning the Group's interests in commercial real estate investments in Cuba.
- *Tourism / Leisure:* Activities concerning the Group's interests in hotel investments in Cuba and operations of a travel agency that provides services to international clients for travel to Cuba.
- *Other:* Includes interest from loans and lending facilities, the Group entered into the Construction Facility with TosCuba for the purpose of extending to TosCuba part of the funding necessary for the construction of the Meliã Trinidad Playa Hotel and a facility provided to FINTUR (see note 6). Other also includes the convertible bonds.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating income or loss and is measured consistently with operating income or loss in the consolidated financial statements. The Group has applied judgment by aggregating its operating segments according to the nature of the underlying investments. Such judgment considers the nature of operations, types of customers and an expectation that operating segments within a reportable segment have similar long-term economic characteristics.

	31 December 2021 US$			
	Commercial property	Tourism / Leisure	Other	Total
Total assets	80,622,834	131,124,444	20,652,622	232,399,900
Total liabilities	(2,042,488)	(5,142,705)	(28,299,353)	(35,484,546)
Total net assets	78,580,346	125,981,739	(7,646,731)	196,915,354
Dividend income	2,550,124	500,000	-	3,050,124
Interest income	-	370,064	1,554,046	1,924,110
Other income	-	7,529	-	7,529
Change in fair value of equity investments	(13,741,425)	(102,292)	-	(13,843,717)
Interest expense	-	-	(2,176,931)	(2,176,931)
Allocated expenses	(13,741,425)	(2,307,409)	(2,087,903)	(17,767,066)
Foreign exchange loss	-	-	(130,198)	(130,198)
Net loss	(24,563,055)	(1,532,108)	(2,840,986)	(28,936,149)
Other comprehensive loss	-	(8,140,191)	-	(8,140,191)
Total comprehensive loss	(24,563,055)	(9,672,299)	(2,840,986)	(37,076,340)
Other segment information:				
Property, plant and equipment additions	2,120	9,682	-	11,802
Depreciation	24,674	13,048	-	29,792

	31 December 2020 US$			
	Commercial property	Tourism / Leisure	Other	Total
Total assets	85,371,003	123,678,118	30,248,873	239,297,994
Total liabilities	(1,977,422)	(3,071,210)	-	(5,048,632)
Total net assets	83,393,581	120,606,908	30,248,873	234,249,362
Dividend income	6,948,316	6,310,596	-	13,258,912
Interest income	-	639,982	1,259,486	1,899,468
Other income	-	6,113	-	6,113
Change in fair value of equity investments	(5,268,689)	(36,645,587)	-	(41,914,276)
Allocated expenses	(1,819,091)	(2,272,417)	(341,651)	(4,433,159)
Foreign exchange gain	-	-	1,157,566	1,157,566
Net income	(139,464)	(31,961,313)	2,075,401	(30,025,376)
Other comprehensive income	-	11,538,310	-	11,538,310
Total comprehensive income/(loss)	(139,464)	(20,423,003)	2,075,401	(18,487,066)
Other segment information:				
Property, plant and equipment additions	4,897	-	-	4,897
Depreciation	34,305	5,340	-	39,645

15. RELATED PARTIES DISCLOSURES

Compensation of Directors

Each Director receives a fee of £35,000 (US$47,170) per annum with the Chairman receiving £40,000 (US$53,908). The Chairman of the Audit Committee also receives an annual fee of £40,000 (US$53,908). The Chairman and Directors are also reimbursed for other expenses properly incurred by them in attending meetings and other business of the Group. No other compensation or post-employment benefits are provided to Directors. Total Directors' fees, including the fees of the Chairman, for the year ended 31 December 2021 were US$276,111 (year ended 31 December 2020: US$232,677).

Transactions with other related parties

Transactions and balances between the Group and the joint venture companies included within the equity investments of the Group are detailed in notes 5, 6, 7 and 8.

CPC and GrandSlam Limited, wholly-owned subsidiaries of the Group, lease office space totalling 319 square meters from Monte Barreto, a commercial property investment in which the Group holds a 49% interest. The rental charges paid under these leases are accounted for in operational costs and for the year ended 31 December 2021 amounted to US$12,555 (2020: US$ US$24,500) with an average rental charge per square meter at 31 December 2021 of US$18.84 (2020: US$37.64) plus an administration fee of US$6.07 (2020: US$9.75) per square meter. The Group has elected to use the recognition exemption for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option.

Transactions with Investment Manager

ASFML is a wholly-owned subsidiary of Standard Life Aberdeen plc which has an interest at 31 December 2021 in 9,747,852 shares of the stated capital (2020: 9,747,852). For further discussion regarding transactions with the Investment Manager see note 17.

Interests of Directors and Executives in the stated capital

At 31 December 2021 John Herring, a Director of CEIBA, had an indirect interest in 40,000 shares (2020: 40,000 shares).

At 31 December 2021 Peter Cornell, a Director of CEIBA, has an indirect interest in 100,000 shares (2020: 100,000 shares).

At 31 December 2021 Trevor Bowen, a Director of CEIBA, has an indirect interest in 43,600 shares (2020: 43,600 shares).

At 31 December 2021 Colin Kingsnorth, a Director of CEIBA, is a director and shareholder of Ursus Capital Limited, which holds 12,252,338 shares (2020: Colin Kingsnorth was a director and shareholder of Laxey Partners Limited, which owned and served as the investment manager for an aggregate of 30,979,316 shares).

At 31 December 2021 Sebastiaan A.C. Berger, the Investment Manager's fund manager and Chief Executive Officer of CEIBA, has an interest in 3,273,081 shares (2020: 3,273,081 shares).

At 31 December 2021 Cameron Young, Chief Operating Officer of CEIBA, has an indirect interest in 4,129,672 shares (2020: 4,129,672 shares).

At 31 December 2021 Paul S. Austin, Chief Financial Officer of CEIBA, has an interest in 144,000 shares (2020: 144,000).

Interests of Directors, Executives and Shareholders in the Convertible Bonds

At 31 December 2021, Directors had an interest of €nil (US$nil), Executives had an interest of €nil (US$nil), and Shareholders of CEIBA had a interest of €10,900,000 (US$12,345,340) in the Bonds (see note 12).

16. BASIC AND DILUTED LOSS PER SHARE

Basic loss per share

The loss per share has been calculated on a weighted-average basis and is arrived at by dividing the net income for the year attributable to shareholders by the weighted-average number of shares in issue:

	31 Dec 2021 US$	31 Dec 2020 US$
Weighted average of ordinary shares in issue	137,671,576	137,671,576
Net loss for the year attributable to the shareholders	(28,811,901)	(19,808,620)
Basic loss per share	(0.21)	(0.14)

Diluted loss per share

The diluted loss per share is considered to be equal to the basic loss per share, as the impact of senior unsecured convertible bonds on loss per share is anti-dilutive for the period(s) presented. The convertible bonds could potentially dilute basis earning per share in the future.

17. INVESTMENT MANAGER

On 31 May 2018, the Group entered into a Management Agreement under which ASFML was appointed as the Group's alternative investment fund manager to provide portfolio and risk management services to the Group. The Management Agreement took effect on 1 November 2018. ASFML has delegated portfolio management to the Investment Manager. Both ASFML and the Investment Manager are wholly-owned subsidiaries of abrdn plc.

Pursuant to the terms of the Management Agreement, ASFML is responsible for portfolio and risk management on behalf of the Group and will carry out the on-going oversight functions and supervision and ensure compliance with the applicable requirements of the AIFM Rules. Under the terms of the Management Agreement, ASFML is entitled, with effect from 1 November 2018, to receive an annual management fee at the rate of 1.5 per cent of Total Assets. For this purpose, the term Total Assets means the aggregate of the assets of the Company less liabilities on the last business day of the period to which the fee relates (excluding from liabilities any proportion of principal borrowed for investment and treated in the accounts of the Company as current liabilities). The annual management fee payable by the Group to ASFML will be lowered by the annual running costs of the Havana operations of CEIBA Property Corporation Limited, a subsidiary of the Group. The management fees earned by the Investment Manager for the year ended 31 December 2021 were US$3,276,574 (2020: US$2,864,518). In the prior year, in order to assist the Group with its cash flow requirements the Investment Manager agreed to defer payment of a portion of its fees earned during 2020 totaling US$1,154,396 until 2022.

There are no performance, acquisition, exit or property management fees payable to ASFML or the Investment Manager.

In connection with the Management Agreement, ASFML paid the Group US$5,000,000 for the purpose of compensating the Group for the costs related to the initial public offering and the listing of its shares on the SFS as well as for releasing and making available the Group's internal management team to ASFML. In the event that the Management Agreement is terminated prior to the fifth anniversary of its coming into effect, the Group must pay to ASFML a prorated amount of the US$5,000,000 based on the amount of time remaining in the five year period. As such, this payment has been recorded as a deferred liability and is being amortised over the five year period. The amount amortised each period is accounted for as a reduction of the management fee and the original effective interest rate applied in calculating the instruments amortised cost is materially equal to a market interest rate. At 31 December 2021, the amount of the payment recorded as a deferred liability is US$1,833,333 (2020: US$2,833,333) with US$1,000,000 (2020: US$1,000,000) being the current portion and US$833,334 (2020: US$1,833,333) being the non-current portion.

For the year ended 31 December 2021, the amount of the payment amortised and recorded as a reduction of the management fee expense in the consolidated statement of comprehensive income was US$1,000,000 (2020: US$1,000,000):

	2021 US$	2020 US$
Management fees earned	3,276,574	2,864,518
Amortisation of deferred liability	(1,000,000)	(1,000,000)
Management fee expense	2,276,574	1,864,518

18. COMMITMENTS AND CONTINGENCIES

Operating lease commitments

The rental charges paid under operating leases accounted for in operational costs of the statement of comprehensive income for the year ended 31 December 2021 amounted to US$12,555 (2020: US$24,500).

TosCuba Construction Facility

In April 2018, the Group entered into the TosCuba Construction Facility for the purpose of extending to TosCuba part of the funding necessary for the construction of the Meliã Trinidad Península Hotel. The Construction Facility is in the maximum principal amount of US$51,500,000, divided into two separate tranches: Tranche A of US$22,500,000 and Tranche B of US$29,000,000. As at 31 December 2021, the full US$22,500,000 of Tranche A has been disbursed (2020: US$20,502,533) and US$708,860 of Tranche B has been disbursed (2020: nil). The Group has the right to syndicate Tranche B of the Construction Facility to other lenders (see note 6).

In August 2021 the TosCuba Construction Facility was amended for the purpose, amongst others, of (i) increasing the principal amount of Tranche B to US$29,000,000, (ii) providing that an amount of up to US$4,000,000 may be onlent by the borrower (TosCuba) to Cuban utility companies for investments in the infrastructure that will serve the hotel, and (iii) modifying the security received by the Group. The prior security assignment relating to the Meliã Santiago de Cuba Hotel was released and a new secondary guarantee was received from Miramar in support of the primary guarantee received from Cubanacán (see note 6).

FINTUR Facility

Since 2002, the Company has arranged and participated in numerous secured finance facilities extended to FINTUR, the Cuban government financial institution for Cuba's tourism sector. The rights of the Company under these facilities are limited to receiving principal and interest payments (SPPI model). The facilities are fully secured by tourism proceeds from numerous internationally managed hotels.

The Group has a successful 19-year track record of arranging and participating in over €150 million of facilities extended to FINTUR, with no defaults occurring during this period.

The Company had a €4,000,000 participation in Tranche A as well as a €2,000,000 participation in Tranche B of the most recent facility executed in March 2016 and amended in 2019. The total four-year facility had a full principal amount of €36,000,000 with an 8% interest rate. The facility was operating successfully without delay or default until March 2020, at which time all Cuban hotels were ordered to be closed as a result of the Covid-19 pandemic. The Company subsequently granted a further grace period to FINTUR and consolidated all amounts then outstanding under the two existing tranches into a new Tranche C. As at 31 December 2021 the principal amount of €1,716,667 (US$1,943,760) (2020: €1,716,667 (US$2,110,795)) was outstanding under the Company's participation in Tranche C of the facility.

19. FINANCIAL RISK MANAGEMENT

Introduction

The Group is exposed to financial risks that are managed through a process of identification, measurement and monitoring and subject to risk limits and other controls. The objective of the Group is, consequently, to achieve an appropriate balance between risk and benefits, and to minimise potential adverse effects arising from its financial activity.

The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risks. Management reviews policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the period to which these consolidated financial statements relate.

Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables. Market price risk comprises two types of risks: foreign currency risk and interest rate risk. The Group is not materially exposed to market price risk.

(i) Foreign currency risk

Currency risk is the risk that the value of a financial instrument denominated in a currency other than the functional currency will fluctuate due to changes in foreign exchange rates.

The statement of comprehensive income and the net value of assets can be affected by currency translation movements as certain assets and income are denominated in currencies other than US$.

Management has identified the following three main areas of foreign currency risk:

- Movements in rates affecting the value of loans and advances denominated in Euros;
- Movements in rates affecting the value of cash and cash equivalents denominated in Euros; and
- Movements in rates affecting any interest income received from loans and advances denominated in Euros.
- Movements in rates affecting any interest paid on convertible bonds denominated in Euros.

The sensitivity of the income (loss) and equity to a variation of the exchange rate (EUR/US$) in relation to Euro denominated assets and liabilities is the following:

Effect of the variation in the foreign exchange rate %	Income (loss) 31 Dec 2021 US$	Equity 31 Dec 2021 US$	Income (loss) 31 Dec 2020 US$	Equity 31 Dec 2020 US$
+15	(523,606)	530,915	778,646	423,698
+20	(698,142)	707,886	1,038,185	564,931
-15	523,606	(530,915)	(775,646)	(423,698)
-20	698,142	(707,886)	(1,038,185)	(564,698)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows may fluctuate due to changes in market interest rates.

At any time that it is not fully invested in equities, surplus funds may be invested in fixed-rate and floating-rate securities both in Euro and in currencies other than Euro. Although these are generally short-term in nature, any change to the interest rates relevant for particular securities may result in either income increasing or decreasing, or management being unable to secure similar returns on the expiry of contracts or the sale of securities. In addition, changes to prevailing rates or changes in expectations of future rates may result in an increase or decrease in the value of securities held. In general, if interest rates rise, income potential also rises but the value of fixed rate securities may decline. A decline in interest rates will in general have the opposite effect.

As the only interest-bearing financial instruments held by the Group are fixed rate assets measured at amortised cost, the Group has no material interest rate risk and therefore no sensitivity analysis has been presented.

The interest rate risk profile of the Group's consolidated financial assets and liabilities was as follows:

	Total US$	Fixed rate US$	Floating rate US$	Non-interest bearing US$
31 DECEMBER 2021				
Equity investments (US$)	176,131,209	-	-	176,131,209
Loans and lending facilities (€)	2,866,271	2,866,271	-	-
Loans and lending facilities (US$)	19,691,339	19,691,339	-	-
Accounts receivable and accrued income (US$)	6,680,404	-	-	6,680,404
Accounts receivable and accrued income (€)	286,997	-	-	286,997
Cash at bank (€)	25,434,352	-	-	25,434,352
Cash at bank (US$)	731,041	-	-	731,041
Cash at bank (GBP)	11,427	-	-	11,427
Cash on hand (GBP)	270	-	-	270
Cash on hand (€)	6,319	-	-	6,319
Cash on hand (US$)	10,010	-	-	10,010
Cash on hand (CUP)	34,602	-	-	34,602
Short-term borrowings (€)	(1,004,673)	(1,004,673)	-	-
Convertible bonds (€)	(28,299,353)	(28,299,353)	-	-

	Total US$	Fixed rate US$	Floating rate US$	Non-interest bearing US$
31 DECEMBER 2020				
Equity investments (US$)	197,921,225	-	-	197,921,225
Loans and lending facilities (€)	4,116,169	4,116,169	-	-
Loans and lending facilities (US$)	16,106,466	16,106,466	-	-
Accounts receivable and accrued income (US$)	16,052,751	-	-	16,052,751
Accounts receivable and accrued income (€)	296,925	-	-	296,925
Cash at bank (€)	3,992,756	-	-	3,992,756
Cash at bank (US$)	210,970	-	-	210,970
Cash at bank (GBP)	61,654	-	-	61,654
Cash on hand (GBP)	272	-	-	272
Cash on hand (€)	130	-	-	130
Cash on hand (US$)	1,058	-	-	1,058
Cash on hand (CUC)	4,020	-	-	4,020

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation, expected credit losses are measured using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining an expected credit loss. Refer to note 6 for the assessment of the expected credit loss for loans and lending facilities.

Maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for each component of the consolidated statement of financial position as well as future loan commitments, irrespective of guarantees received:

	31 Dec 2021 US$	31 Dec 2020 US$
Loans and lending facilities	22,557,610	20,222,635
Future loan commitments (TosCuba Construction Facility) (i)	28,291,140	30,997,467
Accounts receivable and accrued income (ii)*	19,248,809	16,349,676
Cash and cash equivalents	26,228,072	4,270,860
Total maximum exposure to credit risk	96,325,631	71,840,638

* Accounts receivable and accrued income after ECL is US$6,967,401 (see note 5).

(i) The TosCuba Construction Facility is secured by future income of the hotel under construction and Tranche B of the Construction Facility is further secured by a guarantee given by Cubanacán, the Cuban shareholder of TosCuba, backed by a new secondary guarantee received from Miramar in support of the primary guarantee received from Cubanacán. The facilities are assessed at stage 2 of the IFRS ECL impairment model, management has assessed the expected credit loss over the lifetime of the future loan commitments to be immaterial to the Group. Management believes the probability of default is low due to the fact that the Group is a 50% shareholder of TosCuba and has a 50% representation on the Board of Directors. Repayment of the facility is secured by the future income of the hotel and repayment of Tranche B has also been guaranteed by Cubanacán and is further secured by Cubanacán's dividend entitlements in Miramar. Payments of the facility are scheduled to begin once the hotel starts operations.

(ii) $12,592,004 of the accounts receivable and accrued income balance is made up of dividends receivable. The impairment on the dividends receivable has been assessed as low in the case of Miramar and high in the case of Monte Barreto in terms of the 3 stage model per IFRS 9 by assessing the credit risk of the counterparty who declared the dividend. The delay in payment of the dividends receivable from Monte Barreto is due in part to the current liquidity position of the Cuban financial system caused by the pandemic, increased U.S. sanctions and the transitional effects of the Cuban monetary reforms. In the current year, the overall credit risk for Monte Barretto significantly increased as compared to the preceding year. This resulted in the account receivable moving from Stage 2 to Stage 3 of the IFRS ECL impairment model, which therefore requires management to assess the expected credit loss over time. Accordingly, in the current year management has made an assessment of the expected credit loss over timetaking into account all reasonable and supportable information that is available that includes both internal and external information. As a result, the total amount of credit impaired receivables at year end is $12,281,408 related to the balance of the dividend receivable due from Monte Barrreto.

Due to the current liquidity constraints placed upon Monte Barreto as a result of the recent Cuban monetary reforms, the timing of receipt of the historical dividends receivable is uncertain. Therefore the dividends receivable from Monte Barreto at year end have been impaired in full in the Statement of Comprehensive Income. However, in the case of Miramar, the same liquidity constraints do not apply under the monetary reforms, due to a large portion of its income being earned in foreign currency and therefore Miramar has been assigned a higher credit rating. Management expects to receive the full amount of dividends receivable from Miramar in due course.

The Group holds its cash and cash equivalents at financial institutions located in the countries listed below. Also included in the following table are the credit ratings of the corresponding financial institutions, as determined by Moody's:

	Credit Rating	31 Dec 2021 US$	31 Dec 2020 US$
Cash at bank			
Cuba	Caa2	727,453	183,540
Guernsey	A2	21,828,192	152,420
Spain	Ba3	1,631,197	2,956,003
Spain	A2	19,048	20,538
Spain	Baa2	1,826,198	952,879
Spain	A3	144,733	-
		26,176,821	4,265,380
Cash on hand			
Cuba		51,251	5,480
		51,251	5,480
Total cash and cash equivalents		26,228,072	4,270,680

At 31 December 2021 and 31 December 2020, all cash and short-term deposits that are held with counter-parties have been assessed for probability of default; as a result no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Group.

Guarantees received

The amount and type of guarantees required depends on an assessment of the credit risk of the counter-party. The Group has neither financial nor non-financial assets obtained as property on executed guarantees. See note 6 regarding guarantees obtained for loans and lending facilities.

Liquidity risk

Liquidity risk is the risk that the Group will encounter in realising its non-cash assets or otherwise raising funds to meet financial commitments. Assets principally consist of unlisted securities and loans, which are not readily realisable. If the Group, for whatever reason, wished to dispose of these assets quickly, the realisation values may be lower than those at which the relevant assets are held in the consolidated statement of financial position. (For maturities of financial assets and liabilities refer to notes 5, 6 and 10).

Although the Group has a number of liabilities (see note 10 - Accounts payable and accrued expenses, note 11 - Short-term borrowings and note 18 - commitments and contingencies), Management assesses the liquidity risk of the Group to be low because the Group has a sufficient amount of cash and cash equivalents.

On 31 March 2021, the Company completed the issue of €25,000,000 (US$29,312,500 equivalent at date of issue) in convertible bonds (see note 12). The Bonds have a term of 5 years expiring on 31 March 2026, an interest rate of 10.00%, payable quarterly, and are convertible at the option of the Bondholders to Ordinary Shares of the Company. The Group currently has sufficient cash and cash equivalents to cover the quarterly interest payments.

The estimated timing of the undiscounted contracted cash flows associated with the Bonds issued on 31 March 2021 including interest and principal payments are as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Between 1 and 30 days	-	-
Between 31 and 90 days	707,875	-
Between 91 and 180 days	715,740	-
Between 181 and 1 year	1,447,211	-
Between 1-2 years	2,870,826	-
Between 2-3 years	2,878,692	-
Between 3-4 years	2,870,826	-
Between 4-5 years	29,022,875	-
	40,514,045	-

The Group also has entered into the Construction Facility for the purpose of extending to TosCuba part of the funding necessary for the construction of the Meliã Trinidad Península Hotel (see note 6). The Construction Facility is in the maximum principal amount of US$51,500,000, divided into two separate tranches: Tranche A of US$22,500,000 and Tranche B of US$29,000,000. As at 31 December 2021, the full US$22,500,000 of Tranche A has been disbursed (2020: US$20,502,533) and US$708,860 of Tranche B has been disbursed (2020: nil). The Group has the right to syndicate Tranche B of the Construction Facility to other lenders.

The principal of the Construction Facility is to be disbursed gradually in accordance with the construction schedule and the supply of materials and equipment for the hotel. Prior to the COVID-19 pandemic, it was anticipated that the full amount of the Construction Facility would be disbursed by the end of 2020. However, the timing of construction has been affected by the pandemic and consequently the disbursement of the principal under the Construction Facility has been delayed and it is now anticipated that the Construction Facility will be substantially disbursed by the end of the first quarter of 2022. The Group currently has sufficient cash and cash equivalents to cover the full disbursement of the Construction Facility (see note 12 concerning the Bond Issue).

The estimated timing of cash outflows under the TosCuba Construction Facility entered into in April 2018 are as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Between 1 and 30 days	1,279,779	-
Between 31 and 90 days	1,813,996	485,606
Between 91 and 180 days	6,887,133	3,011,861
Between 181 and 1 year	15,185,406	19,000,000
Between 1-2 years	3,124,826	8,500,000
	28,291,140	30,997,467

Capital management

The Group maintains an actively managed capital base to cover risks inherent in the business. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders. No changes were made in the objectives, policies, and processes from the previous period.

The capital base managed by the Group is composed of stated capital, reserves and retained profits that amount at 31 December 2021 and 2020 to a total of US$196,915,354 and US$234,249,362, respectively. The Group is not subject to external capital requirements.

20. FAIR VALUE DISCLOSURES

The fair values of cash and cash equivalents, and accounts receivable and accrued income (excluding loan interest) balances after adjusting for expected credit losses (see note 5) are considered to approximate their carrying amount largely due to the short-term maturities and credit quality of these instruments. The fair value of loans and lending facilities (and interest) receivables are considered to approximate their carrying amount largely due to the fixed interest rates considered to be in line with market, as well as due to the maturities, security provided and credit quality of these instruments (see notes 6 and 19 for further details).

Key sources of estimation uncertainty

Determining fair values

The determination of fair values for investment and financial assets and liabilities for which there is no observable market price requires the use of valuation techniques as described in note 3.8 (c). For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

Critical accounting judgements in applying the Group's accounting estimates

Valuation of financial instruments

The Group's accounting policy on fair value measurements is discussed in note 3.8 (c).

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques for which all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted prices or dealer price quotations. The Group does not currently have any financial assets or financial liabilities trading in active markets.

For all other financial instruments, the Group determines fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates and foreign currency exchange rates. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date that would have been determined by market participants acting at arm's length.

For certain instruments, the Group uses proprietary valuation models, which usually are developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market are derived from market prices or rates or are estimated based on assumptions. Examples of instruments involving significant unobservable inputs include the equity investments of the Group in Cuban joint venture companies. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, selection of appropriate discount rates and an estimate of the amount of cash required for working capital needs of the joint ventures in order to determine if they hold any Excess Cash.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	31 December 2021 US$			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity investments	-	-	175,828,034	175,828,034
	-	-	175,828,034	175,828,034

	31 December 2020 US$			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Equity investments	-	-	197,618,050	197,618,050
	-	-	197,618,050	197,618,050

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy:

	31 Dec 2021 US$	31 Dec 2020 US$
Unlisted private equity investments		
Initial balance	197,618,050	227,340,559
Total gains recognised in income or loss	(13,843,717)	(41,914,276)
Foreign currency translation reserve	(7,946,299)	12,191,767
Final balance	175,828,034	197,618,050
Total losses for the year included in income or loss relating to assets and liabilities held at the end of the reporting year	(13,843,717)	(41,914,276)
	(13,843,717)	(41,914,276)

21. CLASSIFICATIONS OF FINANCIAL ASSETS AND LIABILITIES

The table below provides a reconciliation of the line items in the Group's consolidated statement of financial position to the categories of financial instruments.

	Note	Fair value through profit or loss	Cash and Financial assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount
		31 December 2021 US$			
Cash and cash equivalents	4	-	26,228,072	-	26,228,072
Accounts receivable and accrued income	5	-	6,967,401	-	6,967,401
Loans and lending facilities	6	-	22,557,610	-	22,557,610
Equity investments	7	175,828,034	-	-	175,828,034
Investment in associate	8	-	303,175	-	303,175
		175,828,034	56,056,258	-	231,884,292
Accounts payable and accrued expenses	10	-	-	4,347,187	4,347,187
Short-term borrowings	11	-	-	1,004,673	1,004,673
Convertible bonds	12	-	-	28,299,353	28,299,353
Deferred liabilities	17	-	-	1,833,333	1,833,333
		-	-	35,484,546	35,484,546

	Note	Fair value through profit or loss	Cash and Financial assets at amortised cost	Financial liabilities at amortised cost	Total carrying amount
		31 December 2020 US$			
Cash and cash equivalents	4	-	4,270,860	-	4,270,860
Accounts receivable and accrued income	5	-	16,349,676	-	16,349,676
Loans and lending facilities	6	-	20,222,635	-	20,222,635
Equity investments	7	197,618,050	-		197,618,050
Investment in associate	8	-	303,175	-	303,175
		197,618,050	41,146,346	-	238,764,396
Accounts payable and accrued expenses	10	-	-	2,215,299	2,215,299
Deferred liabilities	17	-	-	2,833,333	2,833,333
		-	-	5,048,632	5,048,632

There were no reclassifications of financial assets during the year ended 31 December 2021 (year ended 31 December 2020: nil).

22. AUDIT FEES

Audit fees incurred for the year were as follows:

	31 Dec 2021 US$	31 Dec 2020 US$
Audit fee expense	321,625	270,909

23. EVENTS AFTER THE REPORTING PERIOD

The Russian invasion of Ukraine has had an impact on Russian tourist arrivals to Cuba generally and is expected to continue doing so going forward. However, Russian tourists did not represent a substantial segment of the guest occupancy of the Hotels prior to the conflict and the first quarter 2022 results of the Hotels are above budget.

There may be other indirect impacts of the conflict on the Cuban or global economies, but at this stage Management is not able to reliably estimate the potential scope of such impacts for the Company, as events are unfolding day-by-day.

INVESTOR INFORMATION

COMPANY BACKGROUND / HISTORY

The Company was incorporated in 1995 in Guernsey as a closed-ended investment company for the purpose of investing in Cuba. The Company made its first Cuban investment in 1996 and its portfolio subsequently included interests in a variety of Cuban assets and businesses, including biotechnology ventures, mining, residential real estate, consumer/industrial ventures and trade finance.

In 2002 a new external investment manager was appointed to manage the Company. The founders of this external manager included Sebastiaan A.C. Berger and Cameron Young. Paul Austin subsequently joined the Company's management team in 2005.

Under this new external investment manager, the Company began to focus its investment activities on the Cuban real estate and tourism sectors and disposed of its interests in non-complementary assets and businesses. In repositioning the business of the Company during this period, the Company developed a new investment strategy with the following main features:

- to acquire ownership interests in Cuban joint venture companies that own high-quality Cuban commercial real estate and hotel assets;
- to pursue investments in development projects through the entering into of new joint ventures with the Cuban government or other investments, or the acquisition of interests in existing joint ventures or other investments;
- to arrange secured financing for Cuban borrowers, primarily in the tourism sector;
- to establish a professional "on-the-ground" management team with experience in negotiating, managing and exiting investments in Cuba; and
- to pay a regular annual dividend to Shareholders.

The Company was listed on the Irish Stock Exchange from 1996 to 2002 and subsequently on the Channel Islands Stock Exchange from 2004 until the end of 2010. During the period from 2011 to 2018 the Company was unlisted and internally-managed.

The Company is regulated by the Guernsey Financial Services Commission as a Registered Closed-Ended Collective Investment Scheme with effect from 11 September 2018 under The Protection of Investors (Bailiwick of Guernsey) Law, 2020 as amended. The Ordinary Shares of the Company are listed on the Specialist Fund Segment of the London Stock Exchange's Main Market under the symbol CBA (ISIN: GG00BFMDJH11). The Company's Bonds are listed on the International Stock Exchange, Guernsey under the symbol CEIB1026 (ISIN: GG00BMV37C27). The Ordinary Shares and Bonds of the Company should only be considered appropriate for professional investors.

WEBSITE

Further information on the Company can be found on its own dedicated website: www.ceibalimited.co.uk. This allows web users to access information on the Company's share price performance, capital structure, stock exchange announcements and reports.

INVESTOR WARNING

The Board has been made aware by ASFML that some investors have received telephone calls from people purporting to work for ASFML, or third parties, who have offered to buy their investment company shares. These may be scams which attempt to gain personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from an investor is required to release the supposed payment for their shares.

These callers do not work for ASFML and any third party making such offers has no link with ASFML. ASFML never makes these types of offers and does not 'cold-call' investors in this way. If investors have any doubt over the veracity of a caller, they should not offer any personal information, end the call and contact ASFML's investor services centre using the details provided below.

DIRECT

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser.

SHAREHOLDER ENQUIRIES

For internet users, detailed data on the Company, including price, performance information and regular Company updates are available from the Company's website (www.ceibalimited.co.uk).

In the event of queries regarding their holdings of shares, lost certificates, dividend payments, registered details, etc., Shareholders holding their shares in the Company directly should contact the registrars, Link Asset Services at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or Tel: 0371 664 0321. Lines are open 9.00 a.m. to 5.30 p.m. (London Time) Monday to Friday. Calls may be recorded and monitored randomly for security and training purposes. Changes of address must be notified to the registrars in writing.

Any general enquiries about the Company should be directed to the Company Secretary, JTC Fund Solutions (Guernsey) Limited or by email to fundservicesGSY@jtcgroup.com.

LITERATURE REQUEST SERVICE

For literature and application forms for the Company and the abrdn range of investment trust products, please contact:

Telephone: 0808 500 4000

Email: inv.trusts@abrdn.com

KEY INFORMATION DOCUMENT ("KID")

The KID relating to the Company and published by ASFML can be found on ASFML's website:

www.invtrusts.co.uk/en/investmenttrusts/literature-library.

DISCRETIONARY PRIVATE CLIENT STOCKBROKERS

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit the Wealth Management Association at www.pimfa.co.uk.

INDEPENDENT FINANCIAL ADVISERS

To find an adviser who recommends on investment trusts, visit www.unbiased.co.uk.

REGULATION OF STOCKBROKERS

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority: Tel: 0800 111 6768 or at www.fca.org.uk/firms/systemsreporting/register/search or email: register@fca.org.uk.

NOTE

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs may be changed by future legislation.

GLOSSARY OF TERMS AND DEFINITIONS AND ALTERNATIVE PERFORMANCE MEASURES

TERMS AND DEFINITIONS

Abacus	Arlington Consulting – Consultadoria Imobiliaria Limitada, trading under the name Abacus.
abrdn	abrdn plc.
AGM	The Annual General Meeting of the Company to be held on 16 June 2022.
AIC	The Association of Investment Companies - the AIC is the trade body for closed-ended investment companies (www.theaic.co.uk).
AIFMD	The Alternative Investment Fund Managers Directive - The AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' (AIFs). It is designed to regulate any fund which is not a UCITS (Undertakings for Collective Investments in Transferable Securities) fund and which is managed/marketed in the EU. The Company has been designated as an AIF.
Alternative Performance Measure or APM	An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.
ASFML or the AIFM	Aberdeen Standard Fund Managers Limited is a wholly owned subsidiary of abrdn plc and acts as the Alternative Investment Fund Manager for the Group. ASFML is authorised and regulated by the Financial Conduct Authority.
Bondholders	Registered holders of the Bonds.
Bonds	€25 million 10.00% senior unsecured convertible bonds due 2026.
CEIBA or the Company	CEIBA Investments Limited.
CEIBA MTC Properties	CEIBA MTC Properties Inc., a subsidiary of the Company.
CEIBA Tourism	CEIBA Tourism B.V., a subsidiary of the Company.
Construction Facility	The construction finance agreement entered into by the Group on 30 April 2018 and amended on 19 August 2021 in connection with the construction of the Meliã Trinidad Península Hotel.
CPC	CEIBA Property Corporation Limited, a subsidiary of the Company.
Cubanacán	Cubanacán S.A., Corporación de Turismo y Comercio Internacional, a Cuban company.
CUC	Cuban Convertible Pesos, a former lawful currency of Cuba phased out by 30 June 2021.
CUP	Cuban Pesos, the lawful currency of Cuba.
Debt Conversion Programme	The Spanish Cuban Debt Conversion Programme created by agreements between Spain and Cuba dated 2 November 2015 and 4 May 2016.
Depositary	JTC Global AIFM Solutions Limited, a wholly owned subsidiary of JTC Plc, is regulated by the Guernsey Financial Services Commission to provide Independent Depositary services for the Company and ASFML.
Discount	The amount by which the market price per share of an investment trust is lower than the NAV per share. The discount is normally expressed as a percentage of the NAV per share.
Dividend	Income from an investment in shares.
Dividend yield	The annual dividends expressed as a percentage of the current share price.
EBITDA	Earnings Before Interest, Tax, Depreciation & Amortisation, a measure of the overall financial performance.
ECL	Expected credit loss.
Excess Cash	Cash held by a joint venture company in excess of its working capital needs.
Financial Conduct Authority or FCA	The FCA issues the Listing Rules and is responsible for the regulation of ASFML.
GBM Mariel	Grupo B.M. Interinvest Technologies Mariel S.L., a Spanish company in which the Group has a 50% interest.
Gearing	Investment Trusts can 'gear' or borrow money to invest but unit trusts are limited in this respect. Gearing can magnify a fund's return, however, a geared investment is riskier because of the borrowed money.
GrandSlam	GrandSlam Limited, a subsidiary of the Company.
Gross Asset Value	The aggregate value of the total assets of the Company as determined in accordance with the accounting principles adopted by the Company from time to time.
Group	CEIBA and its consolidated subsidiaries.
HOMASI	HOMASI S.A., a subsidiary of the Company.

Hotels or Hotel Assets	The Meliã Habana Hotel and the Varadero Hotels.
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board.
Investment Manager	The Group's Alternative Investment Fund Manager is Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority. Day to day management of the portfolio has been delegated to Aberdeen Asset Investments Limited. Aberdeen Asset Investments Limited and ASFML are collectively referred to as the Investment Manager.
Key Performance Indicators or KPIs	Key Performance Indicators are factors by reference to which the development, performance or position of the business of the Company can be measured effectively.
Management Agreement	The management agreement executed between the Company and ASFML on 31 May 2018.
Market Capitalisation	A measure of the size of an investment Group calculated by multiplying the number of shares in issue by the price of the shares.
Meliã Habana Hotel	The Meliã Habana Hotel located in Havana, Cuba.
Meliã Hotels International	Meliã Hotels International S.A.
Meliã Las Américas Hotel	The Meliã Las Américas Hotel located in Varadero, Cuba.
Meliã Trinidad Península Hotel	The Meliã Trinidad Playa Hotel development project located near Trinidad, Cuba.
Meliã Varadero Hotel	The Meliã Varadero Hotel located in Varadero, Cuba.
Miramar	Miramar S.A., a Cuban joint venture company in which the Group has an equity interest.
Monte Barreto	Inmobiliaria Monte Barreto S.A., a Cuban joint venture company in which the Group has an equity interest.
Mosaico B.V.	Mosaico B.V., a subsidiary of the Company liquidated in May 2021.
Mosaico Hoteles	Mosaico Hoteles S.A., a subsidiary of the Company.
Net Asset Value or NAV	The value of total assets less liabilities attributable to the shareholders of the Company (excluding non-controlling interests). Liabilities for this purpose includes current and long term liabilities. The NAV divided by the number of shares in issue produces the NAV per share.
NAV Total Return	A measure showing how the NAV per share has performed over a period of time, taking into account both capital returns and dividends paid to shareholders. The AIC shows NAV total return as a percentage change from the start of the period. It assumes that dividends paid to shareholders are reinvested at NAV at the time the shares are quoted ex-dividend. NAV total return shows performance which is not affected by movements in discounts and premiums. It also takes into account the fact that different investment companies pay out different levels of dividends.
Ongoing Charges	Ratio of expenses as percentage of average daily shareholders' funds calculated as per the AIC's industry standard method.
Ordinary Shares or Shares	Ordinary shares of the Company.
Other Cuban Assets	Other Cuba-related businesses in which the Company may invest in accordance with its Investment Policy.
Premium	The amount by which the market price per share of an investment trust exceeds the NAV per share. The premium is normally expressed as a percentage of the NAV per share.
Prior Charges	The name given to all borrowings including debentures, long term loans and short term loans and overdrafts used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.
Prospectus	A formal document that provides details about an investment offering for sale to the public. A prospectus is used to help investors make a more informed investment decision. The Company's prospectus is available on the Company's website at www.ceibalimited.co.uk.
RevPAR	Revenue per available room.
SFS	The Specialist Fund Segment of the Main Market of the London Stock Exchange.
Sol Palmeras Hotel	The Sol Palmeras Hotel located in Varadero, Cuba.
TosCuba	TosCuba S.A., a Cuban joint venture company in which the Group has an equity interest.
TosCuba Project	The Meliã Trinidad Peninsula Hotel development project located near Trinidad, Cuba, presently under construction and being carried out by TosCuba.
Total assets	The total assets less current liabilities as shown on the Balance Sheet with the addition of Prior Charges (as defined above).
Total Return	Total Return involves reinvesting the net dividend in the month that the share price goes ex-dividend. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date to which that dividend was earned, eg quarter end, half year or year end date.

ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Discount to NAV

The discount reflects the amount by which the share price of the Company is below the NAV per share expressed as a percentage of the NAV per share. As at 31 December 2021, the share price was 64.0p / US$0.86 and the net asset value per share was US$1.16 / 86.4p, and the discount was therefore 25.9%.

NAV Per Share

The net asset value ('NAV') is the value of the investment company's assets, less any liabilities it has. The NAV per share is the NAV divided by the number of shares in issue.

The NAV per share was US$1.16 / 86.4p as at 31 December 2021.

NAV Return

The table below provides information relating to the NAV of the Company for the years ending 31 December 2020 and 2021.

	2021 US$	2020 US$
Opening NAV	194,425,614	206,734,334
Dividends paid	-	-
Net comprehensive loss for the year	(34,115,831)	(12,308,720)
Closing NAV	160,309,783	194,425,614

Ongoing charges

The ongoing charges are based on actual costs incurred in the year excluding any non-recurring fees in accordance with the AIC methodology. Expense items have been excluded in the calculation of the ongoing charges figure when they are not deemed to meet the following AIC definition: "Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund, excluding the costs of acquisition/disposal of investments, financing charges and gains/losses arising on investments. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs."

The table below provides information relating to the ongoing charges of the Company for the years ending 31 December 2021 and 2020.

	2021 US$	2020 US$
Total Expenses per statement of comprehensive income	33,917,912	46,347,435
Adjustments (items to exclude):		
Foreign exchange (loss)/gain	(130,198)	1,157,566
Interest expense on bonds	(2,176,931)	-
Loss on change in fair value of equity investments	(13,843,717)	(41,914,276)
Expected credit losses	(12,281,408)	-
Non-recurring bond issuance costs	(395,228)	-
Total Annualised ongoing charges	5,090,430	5,590,725
Average undiluted net asset value in the period	181,554,628	192,301,944
Ongoing charges (%)	2.80 %	2.91%

NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, or other independent professional adviser.

If you have sold or transferred all of your registered holding of Shares, please forward this document and the documents accompanying it to the purchaser or transferee or to the stockbroker, bank or other agent through or by whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or transferred part only of your registered holding of Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

CEIBA INVESTMENTS LIMITED

(Company Registration no. 30083)
(a non-cellular company limited by shares incorporated under the laws of the Island of Guernsey)
(the "Company")

NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY
to be held on 16 June 2022

Notice of the Annual General Meeting of Shareholders of the Company to be held at Dorey Court, Admiral Park, St. Peter Port, Guernsey GY1 2HT, Channel Islands on 16 June 2022 at 2.00 p.m. is set out in Appendix 1 to this document.

The Notice of Annual General Meeting contained in this document sets out the business to be carried out by way of ordinary resolutions to be proposed at the Meeting. The Meeting will be chaired by the Chairman of the Board or, in his absence, by a chairman to be elected at the Meeting.

The quorum for the Meeting is at least two Members present in person or by proxy. At the Meeting, the ordinary resolutions will be decided on a show of hands (unless a poll is requested) and on a show of hands every Shareholder who is present in person or by proxy will have one vote. In order to be validly passed, the resolutions which are proposed as ordinary resolutions will need to be approved by not less than 50% of Shareholders, present in person or by proxy and entitled to vote. For extraordinary resolutions these will be decided on a show of hands (unless a poll is requested) and on a show of hands every Shareholder who is present in person or by proxy will have one vote. In order to be validly passed, the resolutions which are proposed as extraordinary resolutions will need to be approved by not less than 75% of Shareholders, present in person or by proxy and entitled to vote.

If, within half an hour from the appointed time for the Meeting, a quorum is not present, then the Meeting will stand adjourned for 14 days at the same time and place. No notice of adjournment will be given.

CEIBA INVESTMENTS LIMITED

(Company Registration no. 30083)
(a non-cellular company limited by shares incorporated under the laws of the Island of Guernsey)
(the "Company")

Registered office:
Dorey Court, Admiral Park
St. Peter Port, Guernsey
GY1 2HT, Channel Islands

28 April 2022

Dear Shareholders,

The purpose of this document is to give notice of the Annual General Meeting of the Company scheduled for 16 June 2022 at 2.00 p.m. (the "Meeting"). The formal Notice of the Meeting is set out in *Appendix 1* of this document.

In addition to the ordinary business of the Meeting, there are also two extraordinary resolutions being proposed. Details of the ordinary and extraordinary business to be proposed at the Meeting are set out below.

Matters to be dealt with at AGM

The resolutions that will be put to Members at the Meeting are as follows:

(a) as to ordinary business (Resolutions 1–9):

(i) to receive and adopt the Consolidated Financial Statements and Directors' Report for the year ended 31 December 2021;

(ii) to ratify the appointment of Grant Thornton Limited as Auditors of the Company until the next Annual General Meeting of the Company and authorise the Board to determine their remuneration; and approve the remuneration;

(iii) to propose the re-election of Trevor Bowen, Keith Corbin, Peter Cornell, John Herring and Colin Kingsnorth, as well as the election of Jemma Freeman, as directors of the Company until the conclusion of the next Annual General Meeting of the Company;

(b) as to extraordinary business (Resolutions 10-11):

(i) to authorise the Company to buy back up to 10% of Ordinary Shares in issue as at the date of the resolution; and

(ii) to authorise the Directors generally to issue securities of the Company representing up to 10% of the Ordinary Shares, as if the pre-emption rights provided under Article 6.2 of the Articles of the Company did not apply.

The authority conferred by Resolutions 10-11, if passed, will lapse 15 months from the date of passing the Resolution, or the conclusion of the Annual General Meeting of the Company held in 2023.

Resolutions 1-9 will be proposed as ordinary resolutions. Resolutions 10-11 will be proposed as extraordinary resolutions.

An ordinary resolution requires a simple majority of the votes cast by Members entitled to vote and present in person or by proxy to be cast in favour in order for it to be passed. An extraordinary resolution requires a majority of at least 75% of the votes cast by Members entitled to vote and present in person or by proxy to be cast in favour in order for it to be passed.

All Members are entitled to attend and vote at the Meeting. In accordance with the Articles, all Members entitled to vote and present in person or by proxy at the Meeting shall upon a show of hands have one vote and upon a poll shall have one vote in respect of each Ordinary Share held. In order to ensure that a quorum is present at the Meeting, it is necessary for two or more Members present in person or by proxy.

The formal Notice convening the Annual General Meeting is set out in *Appendix 1* of this document.

Actions to be Taken

If you hold your ordinary shares in certificated form, your proxy vote must be submitted at www.signalshares.com so as to have been received by the Company's registrars, not less than 48 hours (excluding weekends and public holidays) before the time appointed for the meeting or any adjournment of it. To register you will need your Investor Code which can be found on your share certificate. By registering on the Signal shares portal at www.signalshares.com, you can manage your shareholding, including:

- cast your vote
- change your dividend payment instruction
- update your address
- select your communication preference

If you need help with voting online please contact our Registrar, Link Asset Services by email at enquiries@linkgroup.co.uk , or you may call Link on 0871 664 0391 if calling from the UK, or +44 (0) 371 664 0391 if calling from outside of the UK. They are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.

Alternatively, if you hold your ordinary shares in uncertificated form through CREST, appoint your proxy through the CREST proxy appointment service as detailed in notes 9 – 11 of the Notes to the Notice of the Meeting:

A Form of Proxy is set out in the Notice attached as Appendix 1 to this document, which contains information regarding the matters to be dealt with at the AGM. You are encouraged to complete and return the Form of Proxy in accordance with the instructions printed thereon to the Company's Registrar, Link Asset Services at PXS1, 34 Beckenham Road, Kent BR3 4TU, or deliver it by hand during office hours only to the same address so as to be received as soon as possible and in any event by no later than 2 p.m. on 14 June 2022. You will still be welcome to attend the Meeting in person and vote if you wish.

To avoid the inconvenience of calling an adjourned meeting, we ask Members to submit their vote online at www.signalshares.com or complete the enclosed proxy form and return it to Link Asset Services at PXS1, 34 Beckenham Road, Kent BR3 4TU, or deliver it by hand during office hours only to the same address so as to be received as soon as possible and in any event by no later than 2 p.m. on 14 June 2022. This will not preclude Members from attending and voting in person at the Meeting.

In the event that the situation surrounding Covid-19 should affect the plans to hold the AGM on 16 June 2022 the Company will update shareholders through an announcement to the London Stock Exchange and will provide further details on the Company's website. The Board would encourage all shareholders to exercise their votes, and submit any questions, in respect of the meeting in advance. This should ensure that your votes are registered in the event that attendance at the AGM might not be possible.

Recommendation

The Board considers that the above proposals are in the best interests of the Members as a whole. Accordingly the Board unanimously recommends that Members vote in favour of the resolutions to be proposed at the Meeting.

Yours faithfully,

John Herring, Chairman
For and on behalf of the Board of Directors
CEIBA Investments Limited

Encl. *Appendix 1:* Notice of Annual General Meeting and Form of Proxy

APPENDIX 1

CEIBA INVESTMENTS LIMITED

(the "Company")

Registered No: 30083

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of the Company will be held at Dorey Court, Admiral Park, St. Peter Port, Guernsey, GY1 2HT Channel Islands on 16 June 2022 at 2.00 p.m. for the purpose of considering and, if thought fit, passing the following resolutions as ordinary resolutions of the Company (in the case of resolutions 1 to 9) and extraordinary resolutions of the Company (in the case of resolutions 10-11):–

ORDINARY RESOLUTIONS

ORDINARY BUSINESS:

1. To receive and adopt the Consolidated Financial Statements of the Company for the period ended 31 December 2021.
2. To ratify the appointment of Grant Thornton Limited, Guernsey as Auditors of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
3. To authorise the Directors to fix the remuneration of the Company's Auditors until the next Annual General Meeting of the Company.
4. To re-appoint John Herring as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
5. To re-appoint Trevor Bowen as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
6. To re-appoint Keith Corbin as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
7. To re-appoint Peter Cornell as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
8. To re-appoint Colin Kingsnorth as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.
9. To appoint Jemma Freeman as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company.

EXTRAORDINARY BUSINESS:

10. To authorise the Company in accordance with section 315 of The Companies (Guernsey) Law, 2008 (as amended) (the "Law") to make one or more market acquisitions (as defined in the Law) of its own Ordinary Shares either for cancellation or to hold as treasury shares for future resale or transfer provided that:

    (i) the maximum number of Ordinary Shares authorised to be purchased is a number up to 10 per cent. of the aggregate number of Ordinary Shares in issue as at the date of the Annual General Meeting;

    (ii) the minimum price which may be paid for an Ordinary Share is £0.01;

    (iii) the maximum price which may be paid for an Ordinary Share will be the higher of (i) an amount equal to 105 per cent. of the average of the mid-market values of an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days before the purchase is made; and (ii) the higher of the price of the last independent trade or the highest current independent bid for Ordinary Shares on the London Stock Exchange at the time the purchase is carried out; and

    (iv) such authority shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date 15 months after the date on which this resolution is passed.

11. To authorise the Directors generally and unconditionally in accordance with Article 6.7 of the Articles of Incorporation of the Company (the "Articles") to exercise all powers of the Company to issue equity securities (as defined in Article 6.1(a) of the Articles) as if the members' pre-emption rights contained in Article 6.2 of the Articles did not apply to any such issue, provided that this power shall be limited to the allotment and issue of up to 13,767,158 new ordinary shares of no par value in the Company (representing 10 per cent. of the issued share capital of the Company as at 28 April 2022. Such power hereby conferred shall expire on whichever is the earlier of: (i) the conclusion of the annual general meeting of the Company to be held in 2023; or (ii) the date 15 months after the date on which this Extraordinary Resolution is passed (unless renewed, varied or revoked by the Company prior to that date) save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be issued after such expiry and the Directors may issue equity securities in pursuance to such offers or agreements as if the authority conferred hereby had not expired.

BY ORDER OF THE BOARD

JTC Fund Solutions (Guernsey) Limited
Company Secretary
28 April 2022

Notes to the Notice of the Meeting:

1. A member is entitled to attend and vote at the meeting provided that all calls due from him/her in respect of his/her shares have been paid. A Member is also entitled to appoint one or more proxies to attend, speak and vote on his/her behalf at the meeting. The proxy need not be a Member of the Company. Your proxy vote may be submitted at www.signalshares.com or by completing the form of proxy that is enclosed with this Notice of Meeting. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be received by Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 2 p.m. on 14 June 2022, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the form of proxy will not preclude Members from attending and voting in person at the meeting. In the event that the situation surrounding Covid-19 should affect the plans to hold the AGM on 16 June 2022 the Company will update shareholders through an announcement to the London Stock Exchange and will provide further details on the Company's website. The Board would encourage all shareholders to exercise their votes, and submit any questions, in respect of the meeting in advance. This should ensure that your votes are registered in the event that attendance at the AGM might not be possible.

2. An ordinary resolution of the Members of the Company means a resolution passed by a simple majority.

3. An extraordinary resolution of the Members of the Company means a resolution passed by a majority of not less than 75%.

4. The quorum for the Meeting is at least two Members present in person or by proxy. *To allow effective constitution of the Meeting, if it is apparent to the Chairman that no Members will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any Member, provided that such substitute proxy shall vote on the same basis as the Chairman.*

5. Joint registered holders of Ordinary Shares shall not have the right of voting individually in respect of such Ordinary Share but shall elect one of their number to represent them and to vote whether in person or by proxy in their name. In default of such election the person whose name stands first on the register of Members of the Company shall alone be entitled to vote.

6. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those Members registered on the register of Members of the Company at close of business on 14 June 2022 (or in the event that the Meeting is adjourned, only those Members registered on the register of Members of the Company as at close of business on the day which is two days prior to the adjourned Meeting) shall be entitled to attend in person or by proxy and vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

7. A copy of this Notice of Meeting is available on the Company's website: www.ceibalimited.co.uk.

8. The total issued share capital of the Company as at the date of this Notice of Meeting is 137,671,576 Ordinary Shares. Pursuant to the Articles, on a show of hands every Member (being an individual) present in person or by proxy or (being a corporation) present by a duly authorised representative shall have one vote on a show of hands, and one vote per Ordinary Share on a poll (other than the Company itself where it holds its own shares as treasury shares).

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

10. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the Company's agent Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU (CREST ID RA:10) by 2 p.m. on 14 June 2022. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the Company's agent is able to receive the message by enquiry to CREST in the manner prescribed by CREST.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy.

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CEIBA INVESTMENTS LIMITED

(the "Company")

Registered No: 30083

PROXY

Form of Proxy for use by Shareholders at the Annual General Meeting of the Company to be held at Ground Floor, Dorey Court, Admiral Park, St. Peter Port, Guernsey, GY1 2HT, Channel Islands on 16 June 2022 at 2.00 p.m.

I/We

....

(Full name(s) in block capitals)

of

....

(Address in block capitals)

hereby

1. appoint the Chairman or the Company Secretary of the Meeting (See Note 1 below)

or

2.

....

....

(Name and address of proxy in block capitals)

as my / our proxy to attend, and on a poll, vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on 16 June 2022 at 2.00 p.m. and at any adjournment thereof.

I / We wish my / our proxy to vote as indicated below in respect of the ordinary resolutions to be proposed at the Meeting. Please indicate which way you wish your proxy to vote by ticking the appropriate box alongside each resolution. (See Note 2 below).

ORDINARY RESOLUTIONS

Ordinary Business	FOR	AGAINST	VOTE WITHHELD	DISCRETIONARY
1. THAT the Consolidated Financial Statements of the Company for the period ended 31 December 2021 be received and adopted.				
2. THAT the appointment of Grant Thornton Limited, Guernsey as Auditors of the Company be ratified, to hold office until the conclusion of the next Annual General Meeting of the Company.				
3. THAT the Directors be authorised to fix the remuneration of the Company's Auditors until the next Annual General Meeting of the Group.				
4. THAT the re-appointment of John Herring as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, be approved.				
5. THAT the re-appointment of Trevor Bowen as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, be approved.				
6. THAT the re-appointment of Keith Corbin as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, be approved.				
7. THAT the re-appointment of Peter Cornell as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, be approved.				
8. THAT the re-appointment of Colin Kingsnorth as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, be approved.				
9. THAT the appointment of Jemma Freeman as a Director of the Company, to hold office until the conclusion of the next Annual General Meeting of the Company, be approved.				

EXTRAORDINARY RESOLUTIONS

Extraordinary Business	FOR	AGAINST	VOTE WITHHELD	DISCRETIONARY
10. THAT the Company be authorised in accordance with section 315 of The Companies (Guernsey) Law, 2008 (as amended) (the "Law") to make one or more market acquisitions (as defined in the Law) of its own Ordinary Shares either for cancellation or to hold as treasury shares for future resale or transfer provided that: (i) the maximum number of Ordinary Shares authorised to be purchased is a number up to 10 per cent. of the aggregate number of Ordinary Shares in issue as at the date of the Annual General Meeting; (ii) the minimum price which may be paid for an Ordinary Share is £0.01; (iii) the maximum price which may be paid for an Ordinary Share will be the higher of (i) an amount equal to 105 per cent. of the average of the mid-market values of an Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days before the purchase is made; and (ii) the higher of the price of the last independent trade or the highest current independent bid for Ordinary Shares on the London Stock Exchange at the time the purchase is carried out; and (iv) such authority shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date 15 months after the date on which this resolution is passed.				
11. That the Directors be and are authorised generally and unconditionally in accordance with Article 6.7 of the Articles of Incorporation of the Company (the "Articles") to exercise all powers of the Company to issue equity securities (as defined in Article 6.1(a) of the Articles) as if the members' pre-emption rights contained in Article 6.2 of the Articles did not apply to any such issue provided that this power shall be limited to the allotment and issue of up to 13,767,158 new ordinary shares of no par value in the Company (representing 10 per cent. of the issued share capital of the Company as at 28 April 2022. Such power hereby conferred shall expire on whichever is the earlier of: (i) the conclusion of the annual general meeting of the Company to be held in 2023; or (ii) the date 15 months after the date on which this Extraordinary Resolution is passed (unless renewed, varied or revoked by the Company prior to that date) save that the Company may, before such expiry, make offers or agreements which would or might require equity securities to be issued after such expiry and the Directors may issue equity securities in pursuance to such offers or agreements as if the authority conferred hereby had not expired.				

Signature .... (See Note 3 below) Date ....

NOTES:

1. If you wish to appoint as your proxy someone other than the Chairman or the Company Secretary of the meeting, cross out the words "the Chairman or the Company Secretary of the meeting" and write on the dotted line the full name and address of your proxy. The change should be initialled.
2. In the absence of instructions, the person appointed proxy may vote or abstain from voting as he or she thinks fit on the specified resolutions and, unless instructed otherwise, the person appointed proxy may also vote or abstain from voting as he or she thinks fit on any other business (including amendments to resolutions) which may properly come before the meeting.
3. This form must be signed and dated by the Shareholder or his/her attorney duly authorised in writing. If the Member is a company, it may execute under its common seal, by the signature of a director and its secretary or two directors or other authorised signatories in the name of the company or by the signature of a duly authorised officer or attorney. In the case of joint holdings, any one holder may sign this form. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
4. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4TU, by no later than 2 p.m. on 14 June 2022, or not less than 48 hours before (excluding weekends and bank holidays) the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the form of proxy will not preclude Members from attending and voting in person at the meeting.
5. The 'vote withheld' option is provided to enable you to abstain on any particular resolution; however, it should be noted that a 'vote withheld' is not a vote in law and will not be counted in the calculation of the proportion of the votes 'for' and 'against' a resolution. The 'discretionary' option is provided to enable you to give discretion to your proxy to vote or abstain from voting on a particular resolution as he or she thinks fit.
6. The quorum for the Meeting is at least two Members present in person or by proxy. *To allow effective constitution of the Meeting, if it is apparent to the Chairman that no Members will be present in person or by proxy, other than by proxy in the Chairman's favour, then the Chairman may appoint a substitute to act as proxy in his stead for any Member, provided that such substitute proxy shall vote on the same basis as the Chairman.*

Central oasis of the Sol Palmeras Hotel, Varadero