

AIFM DIRECTIVE

ARTICLE 23 DISCLOSURES

CEIBA Investments Limited

(the "Company")

The regulatory regime in the European Union covering the management, administration, and marketing of alternative investment funds, widely referred to as "AIFMD", requires the alternative investment fund manager (the "AIFM") of a fund such as the Company to comply with an extensive set of requirements in connection with the marketing of shares in the capital of the Company in the European Union. The regime is intended to offer an appropriate level of protection to investors in investment products that do not fall under the European Union regime for regulation of certain investment products known as "UCITS". The Company is a Guernsey domiciled, internally managed non-EEA alternative investment fund for the purposes of the AIFMD and the UK Alternative Investment Fund Managers Regulations 2013 (the "UK AIFM Regulations") as the board of directors of the Company (the "Directors") has overall responsibility for the Company's activities, including its risk and portfolio management activities. The Company itself is therefore its own AIFM for the purposes of AIFMD.

AIFMD has been implemented in the United Kingdom by a combination of HM Treasury Regulations and FCA Handbook rules and requires that, among other things, certain information is made available by the AIFM to potential investors prior to their making an investment in the Company. The required information is set out in Article 23 of the AIFMD. The UK AIFM Regulations also require the AIFM to disclose certain information on a periodic basis.

To the extent that the Company has determined that the requisite information is already set forth in the Company's Annual Report and Accounts dated 26 April 2023 (the "Annual Report") (or in any other source document to which investors have access or which they may request), this supplement contains references to the relevant source materials; and to the extent that the Company has determined that the requisite information has not been provided to investors, this supplement contains additional disclosure items.

Terms defined in this document shall have the same meanings as defined on the prospectus published by the Company dated 17 September 2018 (the "Prospectus"), as supplemented by supplementary prospectuses dated 11 October 2018, and 10 June 2019 respectively.

DISCLOSURE REQUIREMENT	DISCLOSURE OR LOCATION OF RELEVANT DISCLOSURE
(a) a description of the investment strategy and objectives of the Company;	Information about the Company's investment strategy, policy and objectives, the types of assets in which the Company may invest the investment techniques used and any investment restrictions are contained in the Prospectus which is available on the Company's website: www.ceibainvest.com .
(b) if the Company is a feeder fund, information on where the master fund is established;	Not applicable.
(c) if the Company is a fund of funds, information on where	Not applicable.

the underlying funds are established;					
(d) a description of the types of assets in which the Company may invest;	See (a) above.				
(e) the investment techniques that the Company, or the AIFM on behalf of the Company, may employ and all associated risks;	See (a) above. The principal risks and uncertainties relating to the Group are set out in Appendix 1.				
(f) any applicable investment restrictions;	See (a) above.				
(g) the circumstances in which the Company may use leverage; (h) the types and sources of leverage permitted and the associated risks; (i) the maximum level of leverage which the AIFM is entitled to employ on behalf of the Company;	<p>Leverage Limits</p> <p>The maximum leverage which the Company may employ (expressed as a ratio to total assets) is:</p> <table style="margin-left: 40px;"> <tr> <td>Commitment Method</td> <td>120%</td> </tr> <tr> <td>Gross Method</td> <td>120%</td> </tr> </table> <p>Types of Leverage</p> <p>(a) Although leverage is often used as another term for gearing, under the AIFMD regulations leverage is expressed as a ratio of the exposure of debt, non-sterling currency, equity or currency hedging and derivatives exposure against the net asset value. It defines two types of leverage, the gross method, and the commitment method. These are essentially the same other than the commitment method allows derivative instruments to be netted off to reflect 'netting' or 'hedging arrangements'. Non-sterling cash is deemed to carry a currency exposure so is considered to be leverage. In accordance with the AIFMD the Company is obliged to disclose the maximum expected leverage levels under both methods, and this is disclosed above. In order to comply with the AIFMD the maximum leverage levels have been set in accordance with the maximum gearing allowable by the Company's Articles of Incorporation. However, the day-to-day management of gearing and leverage levels will be conducted within the tighter limits set by the Company's investment policy.</p> <p>(b) Leverage may be applied to the portfolio by utilising financial gearing (such as bank borrowings and overdrafts) and synthetic gearing (through derivatives and/or other non-fully funded instruments or techniques for efficient portfolio management purposes such as stock- lending). Typically, leverage will arise through the use of index futures, forward foreign exchange contracts</p>	Commitment Method	120%	Gross Method	120%
Commitment Method	120%				
Gross Method	120%				

	<p>or contracts for difference, where cash is paid to the counterparty as a margin against the current mark-to-market value of the derivative contract; as a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may even result in further loss exceeding any margin deposited. The use of leverage therefore creates additional risks and may significantly increase the market and counterparty risk of the Company through non-fully funded exposure to underlying markets or securities. Leverage is considered in terms of the Company's overall 'exposure' to financial or synthetic gearing and includes any method by which the exposure of the Company is increased whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means.</p> <p>(c) Exposure values under the gross method basis are calculated as the absolute value of all positions in the portfolio; this includes all eligible assets and liabilities, relevant borrowings, derivatives (converted into their equivalent underlying positions) and all other positions, even those held purely for risk reduction purposes, such as forward foreign exchange contracts held for currency hedging.</p> <p>(d) The gross method of exposure of the Company requires the calculation to:</p> <ul style="list-style-type: none"> (i) Include the sum of all non-derivative assets (if applicable) held at market value, plus the absolute value of all such liabilities. (ii) Exclude cash and cash equivalents which are highly liquid investments held in the base currency of the Company, that are readily convertible to a known amount of cash, which are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high-quality bond. (iii) Include derivative instruments which are converted into the equivalent position in their underlying assets. (iv) Exclude cash borrowings that remain in cash or cash equivalents and where the amounts payable are known. (v) Include exposures resulting from the reinvestment of cash borrowings, expressed as the higher of the market value of the investment realised or the total amount of cash borrowed. (vi) Include positions within repurchase or reverse repurchase agreements and securities lending or
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	<p>borrowing or other similar arrangements as applicable.</p> <p>(e) Exposure values under the commitment method basis are calculated on a similar basis but may take into account the effect of netting off instruments to reflect eligible netting and hedging arrangements on eligible assets and different treatment of certain cash and cash equivalent items in line with regulatory requirements.</p> <p>(f) The calculation of leverage assumes that a leverage ratio of 1.00:1 equates to zero leverage. A ratio of less than 1.00:1 would mean that the portfolio included uninvested cash whilst a ratio above 1.00:1 would mean that the portfolio had leverage to the ratio amount above 1.00:1.</p>
(j) any collateral and asset reuse arrangements;	Not applicable.
(2) a description of the procedures by which the Company may change its investment strategy or investment policy, or both;	No material change will be made to the investment policy and investment restrictions without the approval of Shareholders by ordinary resolution. Any change to the investment policy or investment restrictions which does not amount to a material change to the investment policy may be made by the Company without the approval of Shareholders.
(3) a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the Company is established;	<p>The Company is a company limited by shares, incorporated in Guernsey. While investors acquire an interest in the Company on subscribing for or purchasing Ordinary Shares, the Company is the sole legal and/or beneficial owner of its investments. Consequently, Shareholders have no direct legal or beneficial interest in those investments. The liability of Shareholders for the debts and other obligations of the Company is limited to the amount unpaid, if any, on the shares held by them.</p> <p>Shareholders' rights in respect of their investment in the Company are governed by the Articles and the Companies Law. Under Guernsey law, the following types of claims may in certain circumstances be brought against a company, or on behalf of a company against its directors, by its shareholders: contractual claims under its articles of incorporation; claims in misrepresentation in respect of statements made in its prospectus and other marketing documents; unfair prejudice claims; and derivative actions. In the event that a Shareholder considers that it may have a claim against the Company in connection with such investment in the Company, such Shareholder should consult its own legal advisers.</p> <p>Jurisdiction and applicable law</p> <p>As noted above, Shareholders' rights are governed principally by the Articles and the Companies Law. By subscribing for Ordinary Shares, investors agree to be bound by the Articles which are governed by, and construed in accordance with, the laws of Guernsey.</p> <p>Recognition and enforcement of foreign judgments</p> <p>Subject to the provisions and requirements of Guernsey's reciprocal enforcement legislation, the Royal Court in Guernsey will recognise as a valid judgment and, without review of its substance, enforce any final and conclusive judgment obtained against the Company in the superior courts</p>

	<p>of a defined list of jurisdictions. The requirements of such reciprocal enforcement legislation include that the relevant judgment be given by a superior court of competent jurisdiction and that it be: (i) final and conclusive as between the parties thereto; and (ii) in respect of a sum of money not being a sum payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalty. The relevant legislation provides further that the registration of any such judgment may be set aside if, inter alia, the Royal Court is satisfied that: (i) the judgment is not a judgment to which reciprocal enforcement legislation applies or was registered in contravention of such reciprocal enforcement legislation; (ii) relevant superior courts have no jurisdiction in the circumstances of the case or the judgment debtor, being the defendant in the proceedings in the original court, did not receive notice of proceedings in the original court in sufficient time to enable him to defend the proceedings and did not appear; (iii) the judgment was obtained by fraud; (iv) enforcement would be contrary to public policy in Guernsey; or (v) the rights under the judgment are not vested in the person by whom the application for registration was made. The Royal Court would recognise as a valid judgment any final and conclusive judgment obtained in certain other jurisdictions against the Company and would give a judgment based thereon without reconsideration of the merits, assuming proper service of process and assumption of jurisdiction in accordance with the laws such jurisdictions if: (i) the judgment was for a fixed or ascertainable sum of money; (ii) the judgment was not obtained by fraud or in a manner opposed to the principles of natural justice; (iii) the judgment was not obtained in proceedings of a penal or taxation character; and (iv) recognition of the judgment is not contrary to public policy as applied by the Royal Court.</p>
<p>(4) the identity of the AIFM, the Company's depositary, the auditor and any other service providers and a description of their duties and the investors' rights;</p>	<p>AIFM</p> <p>The Company is a self-managed alternative investment fund and has not appointed an external alternative investment fund manager.</p> <p>Administrator, Company Secretary and Risk Management/Oversight</p> <p>NSM Funds Limited has been appointed as administrator and secretary to the Company pursuant to the Administration Agreement. The Administration Agreement may be terminated by either party on giving not less than six months' written notice to the other party provided that such notice given shall not expire before the date falling 18 months after the date of the agreement. The Administrator provides day-to-day administration services to the Company and is also responsible for the Company's general administrative and secretarial functions such as the calculation of the Net Asset Value and the maintenance of the Company's accounting and statutory records.</p> <p>NSM Funds Limited also provides certain risk management and oversight services to the Company pursuant to the Risk Management Services Agreement. The Risk Management Services Agreement may be terminated by either party on giving not less than six months' written notice to the other party, provided that such notice given shall not expire before the date falling 18 months after the date of the agreement.</p> <p>Registrar</p> <p>The registrar of the Company is Link Market Services (Guernsey) Limited which is responsible for maintaining and updating the register of Shareholders, which may be inspected at the Registrar's office at Mont</p>

Crevelt House, Bulwer Avenue, St. Sampson, Guernsey GY2 4LH during normal business hours.

Depository

The Company is not required to appoint a depository.

Auditor

Grant Thornton Limited has been appointed as the Company's auditor responsible for auditing the annual financial statements in accordance with auditing standards and, as appropriate, regulations, and for providing its report to the Company's Shareholders in the annual report and financial statements. In addition, applicable law and regulation may require other reports to be prepared for the Company and, as the appointed auditor of the Company, the Auditor will undertake such work under the auditor service agreement between the Company and the Auditor.

Broker and Financial Advisor

Singer Capital Markets has been appointed as the Company's broker to provide the Company with corporate broking and associated financial advisory services.

Investors' Rights against service providers to the Company

The Company is reliant on the performance of third-party service providers, including the Administrator, the Auditor and the Registrar.

Without prejudice to any potential right of action in tort that a Shareholder may have to bring a claim against a service provider, each Shareholder's contractual relationship in respect of its investment in Shares is with the Company only. Accordingly, no Shareholder will have any contractual claim against any service provider with respect to such service provider's default.

If a Shareholder considers that it may have a claim against a third-party service provider in connection with such Shareholder's investment in the Company, such Shareholder should consult its own legal advisers.

The above is without prejudice to any right a Shareholder may have to bring a claim against an FCA authorised service provider under section 138D of the Financial Services and Markets Act 2000 (which provides that breach of an FCA rule by such service provider is actionable by a private person who suffers loss as a result), or any tortious cause of action. Shareholders who believe they may have a claim under section 138D of the Financial Services and Markets Act 2000, or in tort, against any service provider in connection with their investment in the Company, should consult their legal adviser.

Shareholders who are "Eligible Complainants" for the purposes of the FCA "Dispute Resolutions Complaints" rules (natural persons, micro-enterprises and certain charities or trustees of a trust) are able to refer any complaints against FCA authorised service providers to the Financial Ombudsman Service ("FOS") (further details of which are available at www.fscs.org.uk). Additionally, Shareholders may be eligible for compensation under the Financial Services Compensation Scheme ("FSCS") if they have claims against an FCA authorised service provider

	<p>which is in default. There are limits on the amount of compensation. Further information about the FSCS can be found at www.fscs.org.uk. To determine eligibility in relation to either the FOS or the FSCS, Shareholders should consult the respective websites above and speak to their legal adviser.</p>
(5) a description of how the Company complies with the requirements relating to professional liability risk;	<p>As an internally managed non-EEA alternative investment fund, the Company is not required to comply with Article 9(7) of the AIFMD relating to professional liability risk.</p>
(6) a description of:	Not applicable.
(a) any management function delegated by the AIFM;	
(b) any safe-keeping function delegated by the depositary;	Not applicable.
(c) the identity of each delegate appointed;	Not applicable
(d) any conflicts of interest that may arise from such delegations;	Not applicable.
(7) valuation procedures;	<p>As an internally managed non-EEA alternative investment fund, the Company is not subject to the provisions concerning valuation procedures in Article 19 of the AIFMD.</p> <p>The Board is ultimately responsible for the accuracy of the financial information to be included in the Company's financial statements. The Company's equity investments will be measured at fair value. The Company's management team, as advised by an external valuation advisor, will prepare (for subsequent adoption by the Board) the fair market valuation of the assets on a quarterly basis in accordance with IFRS on the basis of the most recent independent valuation received, updated to reflect working capital changes. The Company is committed to a sound, transparent, comprehensive, and appropriately documented valuation process and believes that all valuations of property must be based on independent external advice. Its Valuation Policy and related Procedures cover all material aspects of the valuation process and controls.</p> <p>On a biannual basis the fair value of the assets underlying the equity investments will be determined by the external valuation adviser, a firm of independent chartered surveyors, who are registered independent appraisers. These advisers must demonstrate compliance with a code of valuation standards and professional guidance that provides the Company with assurance of their quality, impartiality, objectivity, and service standards. The assets will be valued on the basis of fair value based on pre-tax cashflows in accordance with the RICS Valuation Professional Standards, issued by the Royal Institution of Chartered Surveyors (the "Red Book"), including the International Valuation Standards. In providing valuation recommendations, the advisers are required to perform full inspections of direct property assets, undertaken as frequently as</p>

	<p>necessary but at least every two years. In order to perform the valuation, the external valuation adviser will request a number of documents which will be collated by management of the Group and provided to the valuation adviser. In addition, the valuation adviser will visit the various properties at least every two years and will meet with management personnel of underlying assets on these visits. The valuation adviser will also consider valuation inputs not provided by management of the Group.</p> <p>The Company's valuation advisers will value the assets by taking the financial information on such assets supplied by the Company and selecting an appropriate set of comparators in the market when available, based on the particular asset being valued. The valuation will be undertaken using appropriate valuation methodology and the valuer's professional judgement. It is anticipated that the standard valuation methodology will be to use a discounted cash flow analysis and benchmarked discount/interest rates appropriate to the nature of the underlying investment and date of valuation. However, the valuation advisers will use alternative valuation methodologies if appropriate if the particular asset is "non-standard".</p>
<p>(8) a description of the Company's liquidity risk management, including the redemption rights of investors in normal and exceptional circumstances, and the existing redemption arrangements with investors;</p>	<p>The Company is a closed-ended listed investment company and, as such, Shareholders in the Company have no right to redeem their Ordinary Shares.</p> <p>Liquidity risk is therefore the risk that a position held by the Company cannot be realised at a reasonable value sufficiently quickly to meet the obligations (primarily, debt) of the Company as they fall due.</p> <p>In managing the Company's assets therefore, the Company seeks to ensure that it holds at all times sufficient assets to enable it to discharge its payment obligations.</p>
<p>(9) a description of all fees, charges and expenses, and the maximum amounts directly or indirectly borne by investors;</p>	<p>Under the consulting agreement entered into between the Company and 4K Keys Limited (a company owned by Sebastiaan Berger, Cameron Young and Paul Austin) (the "Consultant"), the Company has agreed to pay the Consultant an incentive fee equal to 5.00% of:</p> <ul style="list-style-type: none"> (i) each distribution paid by the Company to its shareholders; and (ii) Liquid Assets (as defined below). <p>"Liquid Assets" means together:</p> <ul style="list-style-type: none"> (1) the undistributed amount recorded as "cash and cash equivalents" in the Consolidated Statement of Financial Position of the Company as at the 30 June 2027, (the "Termination Date"), but excluding dividends payable by Cuban joint venture companies that have been provisioned or any amounts held in Cuban bank accounts; and (2) any "non-current asset" of the Company where, in the good faith determination of the Board, on the Termination Date, the Company is in advanced negotiations for the divestment of such asset and the completion of such divestment and receipt by the Company of freely distributable proceeds is

	<p>reasonably expected to complete on or before 31 December 2027,</p> <p>provided always that the Board shall be entitled, in good faith, to adjust the amount of "cash and cash equivalents" where any such recorded amounts are not freely distributable funds available for distribution to Shareholders and after taking into account all factors prevailing in Cuba as at the Termination Date.</p> <p>LESS:</p> <p>(A) The amounts recorded as "Total Liabilities" in the Consolidated Statement of Financial Position of the Company as at the Termination Date; and</p> <p>(B) The amount of committed financial obligations required for the Company to fund any investment or subsidiary as at the Termination Date; and</p> <p>(C) The amount of any budgeted capital expenditure and operational costs of the Company for a period of 12 months commencing on the Termination Date so that the Company can continue as a going concern.</p> <p>The Group also incurs annual fees, charges and expenses in connection with directors' fees, employee salaries, consultant fees, promotional activities, administrators' fees, auditors' fees and lawyers' fees.</p>
<p>(10) a description of how the AIFM ensures a fair treatment of investors;</p>	<p>The Directors of the Company have certain statutory duties with which they must comply. These include a duty upon each Director to act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. The company has voluntarily agreed to comply with the FCA's Premium Listing Principles pursuant to which, the Company is required to treat all Shareholders of a given class equally.</p> <p>No investor has a right to obtain preferential treatment in relation to their investment in the Company and the Company does not give preferential treatment to any investors.</p> <p>The shares of the same class rank <i>pari passu</i> with each other.</p>
<p>(11) whenever an investor obtains preferential treatment or the right to obtain preferential treatment, a description of:</p>	<p>Not applicable see 10 above</p>
<p>(a) that preferential treatment;</p>	<p>Not applicable.</p>
<p>(b) the type of investors who obtain</p>	<p>Not applicable.</p>

such preferential treatment; and	
(c) where relevant, their legal or economic links with the Company or the AIFM;	Not applicable.
(12) the procedure and conditions for the issue and sale of units or shares;	<p>The Company's shares are admitted to trading on the Specialist Fund Segment of the London Stock Exchange's Main Market for listed securities (the "Main Market"). Accordingly, the Company's shares may be purchased and sold on the Main Market.</p> <p>New shares may be issued at the Board's discretion and providing relevant shareholder issuance authorities are in place. Shareholders do not have the right to redeem their shares. While the Company will typically have Shareholder authority to buy back shares any such buy back is at the absolute discretion of the Board and no expectation or reliance should be placed on the Board exercising such discretion.</p>
(13) the latest net asset value of the Company;	<p>The Company's net asset value is published quarterly by way of an announcement on a regulatory information service.</p> <p>For internet users, additional data on the Company, including the latest published net asset value, the closing price of ordinary shares for the previous day of trading on the London Stock Exchange, performance information and other documents are available on the Company's website: www.ceibainvest.com.</p>
(14) the latest annual report;	The Company's Annual Report is available on the Company's website: www.ceibainvest.com . The latest Annual Report was signed on 26 April 2023.
(15) where available, the historical performance of the Company;	The Company's historical performance data, including copies of the Company's previous annual report and financial statements, are and will be available on the Company's website: www.ceibainvest.com .
(16)	The Company has not appointed a prime broker.
(a) the identity of the prime brokerage firm;	
(b) a description of any material arrangements of the Company with its prime brokerage firm and the way any conflicts of interest are managed;	Not applicable.
(c) the provision in the contract with the depositary on the possibility of transfer	Not applicable.

and reuse of Company assets; and	
(d) information about any transfer of liability to the prime brokerage firm that may exist; and	Not applicable.
(17) a description of how and when the required information will be disclosed.	<p>The Company must periodically disclose to Shareholders:</p> <ul style="list-style-type: none"> • the percentage of the Company’s assets which are subject to special arrangements arising from their illiquid nature; • any new arrangements for managing the liquidity of the Company; and • the current risk profile of the Company and the risk management systems employed by the Company to manage those risks. <p>This information shall be disclosed as part of the Company’s annual and half year reporting to Shareholders.</p> <p>The Company must disclose to Shareholders on a regular basis:</p> <ul style="list-style-type: none"> • any changes to: (i) the maximum level of leverage that the Company may employ; and (ii) any right or reuse of collateral or any guarantee granted under the leveraging arrangement; and • the total amount of leverage employed by the Company. <p>Information on the total amount of leverage employed by the Company shall be disclosed as part of the Company’s periodic reporting to Shareholders.</p> <p>Without limitation to the generality of the foregoing, any information required to be disclosed may be disclosed to Shareholders: (a) in the Company’s annual report or half-yearly report; (b) by the Company issuing an announcement via an RIS; (c) a subsequent prospectus; and/or (d) by the Company publishing the relevant information on www.ceibainvest.com.</p>

APPENDIX 1

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. The Board has carried out a robust assessment of the principal risks currently facing the Company as set out in the table below and overleaf together with a description of the mitigating actions taken by the Board. The Board reviews the risks and uncertainties faced by the Company regularly.

Type of Risk	Description and Possible Impact	Mitigating Action
Emerging Risks relating to the Cuban Financial System		
Cuban Financial Reforms – Financial Autonomy Rules	<p>During the second half of 2020 and continuing throughout 2021 and 2022, 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. However, these measures have not been successfully implemented in full and do not at present apply to all economic sectors or to all joint venture companies. As a result, Monte Barreto (in which the Company has a 49% interest) remains almost fully dependent on centrally assigned liquidity for its international payments. In addition, an exception to the general rules has been adopted for the tourism sector and is presently being implemented. It remains uncertain whether the financial reforms will be fully implemented or whether new measures will be adopted which modify them. They 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, all of which may have a negative effect of the affairs of the Company.</p>	<p>The Company has closely followed all developments relating to the adoption and implementation of these new measures and communicates its concerns and interacts 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. The Company, together with its Cuban partners, seeks at all times to adapt operations and develop creative solutions to deal with the new circumstances created by the financial reforms being adopted.</p>
Currency Devaluation Risk	<p>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</p>	<p>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</p>

	<p>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 previously denominated and carried out in US\$ in Cuban Pesos ("CUP"). 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. As from the adoption of new rules for the tourism sector presently being implemented, a second exchange rate of US\$1.00:CUP120 has been established, thereby providing a first indication that a more general devaluation may follow. Any future devaluation of the CUP might have a negative impact on the assets and operations of the Cuban joint venture companies in which the Company has an interest.</p>	<p>Company has a participation are continuously monitored for the purpose of reducing currency risk to the greatest extent possible.</p> <p>Wherever possible, in order to mitigate devaluation risk, the Company requires that the joint venture companies in which the Company has an interest declare and distribute dividends, on an interim basis, as frequently as possible.</p> <p>There are presently no hedging mechanisms available to mitigate this new risk.</p>
<p>General Liquidity of the Cuban Financial System and Repatriation Risk</p>	<p>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 financial and currency reform measures described above, have had strong negative impacts on the fragile economic and liquidity positions in Cuba. Throughout 2022 there have been significant delays 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.</p>	<p>The Company 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 Company 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.</p>
<p>Risks relating to war in Ukraine</p>	<p>Cuba maintains strong historical, political and economic ties to Russia and to Ukraine. The Russian-Ukrainian conflict that</p>	<p>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</p>

	erupted in February 2022 resulted in an abrupt halt in Russian and Ukrainian tourism 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	assets has ensured that the focus of its marketing efforts is on attracting tourists from its historical principal tourist suppliers (Canada and Europe) and other countries.
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, as well as 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 and Broker, and the level of discount at which the Company's shares trade. In the event that the Board believes that a majority of shareholders requires a change in strategy, it will modify its investment strategy accordingly.
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 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 Risk 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 Company 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. Members of the Group's 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.	<p>The Company regularly monitors the level of real estate risk in the Cuban market. The Group's on-the-ground team works closely with the external hotel managers and the joint venture managers to identify, monitor and actively manage local real estate risk.</p> <p>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 Company, together with the management team of Monte Barreto, now assesses the impact of the new financial autonomy rules in all new leasing decisions.</p>
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 Company 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 on-the-ground team reports to the Board at each meeting regarding recent developments in this respect.
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 Company 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.
Insurance Risk	The Company invests in real estate assets in Cuba through Cuban joint venture companies and as a consequence of U.S. sanctions the Cuban joint venture companies have not been successful in obtaining adequate hard currency insurance	The Company regularly monitors the availability of local and international hard currency insurance coverage for the Cuban joint venture companies in which it has an interest.

	coverage for their real estate assets, which may in turn have a negative impact on the Company in the case of occurrence of insured events.	
Valuation Risk	In the absence of regular market indicators regarding the pricing of real estate assets, the independent third-party RICS valuers of the assets of the Company determine the values of the assets in which the Company holds an interest on the basis of discounted cash flow projections, which under the present circumstances and in an unpredictable future may provide less accurate and highly volatile results	As part of the valuation process, the Company 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 auditors of the Company.
Dependence on Third Party Service Providers	The Company is dependent on 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 are set out in the Annual Report.
Loss of Key Personnel	The loss of key personnel contracted by the Group to manage the portfolio of investments up could impact performance of the Company.	In order to mitigate key personnel risk, the Company makes every effort to spread knowledge and experience of the Cuban market within the organisation.
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. 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	Tensions remain high between the governments of the United States and	The Company closely follows developments relating to the relationship

Restrictions relating to Cuba	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 only taken modest steps to soften or ease the restrictions against Cuba, although it is possible that it might accelerate efforts to 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.	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.
State Sponsor of Terrorism Designation	As one of its last foreign policy moves, the outgoing Trump administration returned Cuba to the U.S. list of state sponsors of terrorism just prior to the inauguration of President Biden. Contrary to expectation, the Biden administration has not reversed this designation, which entails numerous negative impacts for Cuba and makes it extremely difficult for the country, as well as for the Company and all of its subsidiaries and joint venture companies, to obtain regular financial and other administrative services from international banks, insurance companies and many other service providers. The continued designation of Cuba as a state sponsor of terrorism may make it increasingly difficult for the Company, as well as its subsidiaries and joint venture companies, to receive basic services in the future.	The Company follows all developments relating to the designation of Cuba as a state sponsor of terrorism and remains moderately optimistic that domestic and international pressure will lead to a reversal of this nakedly political designation in the coming period. The Company also structures group operations in a manner to minimise the negative impact of the designation to the greatest extent possible.
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	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

	<p>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.</p>	<p>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.</p>
Transfer Risk – U.S. Sanctions	<p>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 honour, reverse or otherwise impede legitimate transactions or assets of the Company, even where no U.S. link is established.</p>	<p>The Company 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 Company manages its banking relationships 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.</p>
Currency Risk	<p>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.</p> <p>The risk relating to monetary reforms recently adopted by the Cuban government imposing the use of the CUP are described elsewhere in this table.</p>	<p>The Company does not hedge its foreign currency risks due to difficulties in agreeing hedging arrangements with third parties.</p>
Risks relating to Regulatory and Tax Framework		
Tax Risk	<p>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.</p>	<p>The Company 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</p>

		jurisdictions arising from past acquisitions, and the general direction of change in many jurisdictions is not favourable.
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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 within the Annual Report.