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Caribbean Investment Holdings Limited

CARIBBEAN INVESTMENT HOLDINGS LIMITED

(the "Company")

*(Incorporated in Belize under the International Business Companies Act,
Revised Edition 2011 of Belize (as amended) with registered number 1)*

The distribution of this document in the United Kingdom is being made only to existing shareholders of the Company in accordance with article 43 (Members and creditors of certain bodies corporate) of the FSMA (Financial Promotion) Order 2005 (the "**FPO**") and other available means of this document being an exempt communication under the FPO. No person falling outside such categories should treat this document as constituting a promotion to them, or rely or act on it for any purposes whatsoever. Other distributions of this document may be restricted by law and therefore persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with any such restrictions may constitute a violation of securities laws.

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DEPOSITARY INTERESTS

Securities issued by certain non-UK companies, such as the Company, cannot be held or transferred in the CREST system. As a result, many investors hold their interests in the Company through a depositary, Capita IRG Trustees Limited (the "**Depositary**"), which has issued depositary interests representing shares in the Company. The depositary interests are independent securities constituted under English law and can be traded and settled within the CREST system in the same way as any other CREST security. Capita Registrars (Jersey) Limited maintains the Company's share register and Capita Registrars Limited maintains the depositary interests register.

Share certificates representing the New Ordinary Shares will be posted to the holders of certificated shares by Capita Asset Services by no later than 10 November 2017.

The Depositary will allocate depositary interests representing New Ordinary Shares to the underlying depositary interest holders on a pro-rata basis. The depositary interests representing New Ordinary Shares will be delivered to CREST accounts on 31 October 2017, with ISIN: BZP211481122

Please note that the Capital Reorganisation will not be directly applicable to holders of depositary interests representing shares in the Company. A separate letter will be posted today by the Depositary to such holders of depositary interests today explaining the effects of the Capital Reorganisation on such holders of depositary interests in more detail.

If Depositary Interest Holders have any questions regarding the Capital Reorganisation, please contact Capita on 0371 664 0335 (or +44 208 639 3135 from outside the United Kingdom). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 9 am - 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

| Event | Time and date⁽¹⁾ |
|--|--|
| Announcement of the Capital Reorganisation | 7.00 a.m. (UK time) on 24 October 2017 |
| Posting of this document to Shareholders | 24 October 2017 |
| Record Date | 4.30 p.m. (Bermuda time) on 27 October 2017 |
| Suspension of trading of the existing Ordinary Shares on AIM | 4.30 p.m. (UK time) on 27 October 2017 |
| Suspension of trading of the existing Ordinary Shares on the BSX | 5.30 p.m. (Bermuda time) on 27 October 2017 |
| Consolidation of the existing Ordinary Shares | following closing of trading on the BSX on 27 October 2017 |
| Completion of the Share Purchase | as soon as reasonably practicable following completion of the Consolidation, and no later than 30 October 2017 |
| Subdivision Date | 30 October 2017 |
| Subdivision of the Consolidated Ordinary Shares into New Ordinary Shares | 1.00 p.m. (Belize Time) on 30 October 2017 |
| Announcement of results of the Capital Reorganisation | 7.00 a.m. (UK time) on 31 October 2017 |
| Delivery of depositary interests representing New Ordinary Shares to CREST accounts where applicable | 31 October 2017 |
| Lifting of the suspension of trading of the New Ordinary Shares on AIM | 8.00 a.m. on 31 October 2017 |
| Lifting of the suspension of trading of the New Ordinary Shares on the BSX | 9.00 a.m. (Bermuda Time) on 31 October 2017 |
| Despatch of cheques in respect of fractional entitlements and definitive share certificates in respect of the New Ordinary Shares where applicable | by no later than 10 November 2017 |

Note:

(1) The times and dates in the table above are indicative only and are subject to change.

As the Company's existing Ordinary Shares are listed on the BSX, the Company must comply with its continuing obligations under the BSX Regulations. This means that the Company shall keep the BSX, members of the Company and other holders of its listed securities informed without delay, by way of public announcements and/or circulars, of any information relating to the Company or the group that:

- (i) is necessary to enable them and the public to appraise the financial position of the Company and the group;
- (ii) is necessary to avoid the establishment of a false market in its securities; and
- (iii) might reasonably be expected materially to affect market activity in and the price of its securities.

The Company shall also ensure that the BSX is simultaneously informed, for dissemination by the BSX, of any information filed with or released to AIM or any other securities regulatory body.

DEFINITIONS

| | |
|-------------------------------------|--|
| Act | means the Belize International Business Companies Act Chapter 270, revised edition 2011, as amended from time to time |
| AIM | means the AIM market of the LSE |
| Articles | means the articles of association of the Company |
| Board or Directors | means the directors of the Company |
| BSD | means the Bermuda Securities Depository, a clearing, settlement and depository service operated by the BSX |
| BSX | means the Bermuda Stock Exchange |
| BSX Regulations | means the international listing regulations of the BSX, of which Sections I and IIIA are relevant to international companies listing equity securities on the BSX, as well as the BSX trading regulations which are relevant where the issuer uses the facilities of the BSD |
| Business Day | means a day on which banks are open for business in both Belize and London |
| Capita Asset Services | a trading name of Capita Registrars Limited |
| Capital Reorganisation | means the Consolidation and the Subdivision |
| Consolidated Ordinary Shares | means the consolidated ordinary shares of nil par value each in the capital of the Company in issue following the Consolidation and prior to the Subdivision |
| Consolidation | means the consolidation of every 1,000 issued Ordinary Shares into one Consolidated Ordinary Share |
| LSE | means the London Stock Exchange |
| Memorandum | means the memorandum of association of the Company |
| New Ordinary Shares | means the ordinary shares of nil par value each in the capital of the Company in issue after the Capital Reorganisation |
| Ordinary Shares | means the ordinary shares of nil par value each in the capital of the Company in issue before the Capital Reorganisation |
| Record Date | means 4.30 p.m. (Bermuda time) on 27 October 2017 |
| Share Purchase | the purchase by the Company of the fractional entitlements arising on the Consolidation |
| Subdivision | the subdivision of each Consolidated Ordinary Share into 1,000 New Ordinary Shares |
| Subdivision Date | means 30 October 2017 |

LETTER FROM THE CHAIRMAN

Registered office

Caribbean Investment Holdings Limited
212 North Front Street
PO Box 1764
Belize City
Belize
Central America

Caribbean Investment Holdings Limited

Directors

| | |
|--------------------|-------------------------------------|
| Cheryl Jones | Chairman and non-executive director |
| Lyndon Guiseppi | Chief Executive Officer |
| Peter Gaze | Non-executive director |
| Dr Euric Bobb | Non-executive director |
| Dr Ydahlia Metzgen | Non-executive director |
| Philip Osborne | Director and company secretary |

24 October 2017

Dear Shareholder,

Consolidation and subdivision of share capital

1. Introduction

Earlier today the Board announced the reorganisation of the Company's share capital. The Company has approximately 805 shareholders with approximately 520 shareholders holding fewer than 1,000 Ordinary Shares each. Ordinary Shares held by such small shareholders represent, in aggregate, approximately only 0.25 per cent. of the 99,899,001 Ordinary Shares currently in issue (excluding Ordinary Shares held in treasury).

By consolidating its share capital, the Company believes that certain of the costs inherent in maintaining a shareholder base of over 800 shareholders will be reduced and an exit will be provided to small shareholders whose holding will be acquired by the Company. The Board considers that it is in the best interests of the Company and its shareholders to reorganise the Company's share capital in such a way as to provide a cash payment per Ordinary Share, free of regulatory restrictions and dealing charges, for their entire shareholding to all holders of fewer than 1,000 Ordinary Shares.

Further details of such arrangements and the Capital Reorganisation are set out in this document below.

2. Capital Reorganisation

Reasons for the Capital Reorganisation

The Company is aware that it can be difficult for shareholders to sell very small shareholdings on AIM, and that any such disposals of small shareholdings often attract disproportionate dealing charges for the selling shareholders.

In addition, the Board is aware that the charges associated with establishing a brokerage account with a Trading Member of the BSX might make selling small shareholdings on the BSX uneconomic.

The Company has, therefore, sought to make arrangements to provide the holders of fewer than 1,000 Ordinary Shares as at the Record Date with an exit by acquiring their entire shareholdings for cash, free of any regulatory restrictions and without those shareholders incurring disproportionate dealing costs or charges.

Furthermore, maintaining a large register of very small shareholdings is also very expensive for the Company in terms of administrative, printing and other costs, and is considered by the Board to not be in the best interests of shareholders as a whole. By consolidating and subsequently subdividing its ordinary share capital, the Company believes that certain of the costs inherent in maintaining a register of this size will be reduced.

For the reasons set out above, the Board has decided that the Consolidation should be effected and that the fractional entitlements of shareholders which will arise should be purchased by the Company for cancellation, with the proceeds being remitted to the relevant shareholders.

Consolidation and Share Purchase

The Directors propose to consolidate every 1,000 Ordinary Shares of nil par value each into one Consolidated Ordinary Share of nil par value. Following the Consolidation, resulting fractions of the Consolidated Ordinary Shares will be aggregated and purchased for cancellation by the Company with the proceeds being remitted to the relevant shareholders.

The aggregate consideration payable by the Company in respect of the Share Purchase is not expected to exceed US\$65,000. Cash payments of less than US\$10.00 (or equivalent) will not be distributed to holders of Ordinary Shares but will instead be aggregated and held for the benefit of the Company.

Please refer to paragraph 4 (*Payment and new share certificates*) below for more details.

Subdivision

Following the Consolidation and the Share Purchase, it is proposed that each Consolidated Ordinary Share be subdivided into 1,000 New Ordinary Shares of nil par value each.

Effect of the Capital Reorganisation

The effect of the Capital Reorganisation is that shareholders holding fewer than 1,000 Ordinary Shares on the Record Date at close of trading on the BSX on 27 October 2017 will receive a cash payment equivalent to the closing middle market price on AIM on this date for each Ordinary Share which they previously held. As a result, such shareholders will receive the current market value for their shareholding without incurring dealing costs.

Holders of 1,000 or more Ordinary Shares on the Record Date will likewise receive a cash payment equivalent to the closing middle market price on AIM on the Record Date for each Ordinary Share which becomes a fraction of a Consolidated Ordinary Share when their holding is divided by 1,000 and will retain the balance of their shareholding.

For example, a holder of 2,500 Ordinary Shares would receive: (i) following the Consolidation (which will occur following close of trading on the BSX on the Record Date), 2 Consolidated Ordinary Shares in respect of 2,000 Ordinary Shares together with a cash payment in respect of 500 Ordinary Shares; and (ii) following the Subdivision which will occur on the Subdivision Date, would retain 2,000 New Ordinary Shares.

The Directors anticipate that the Capital Reorganisation will reduce the number of shareholders from the present level of approximately 805 to around 280. This will reduce the Company's costs on an ongoing basis.

The major shareholder in the Company, Lord Ashcroft KCMG PC, currently owns through his combined beneficial holdings approximately 74.8 per cent. of the share capital of the Company, and will continue to hold approximately 75.1 per cent. of the share capital of the Company following the Capital Reorganisation.

As noted above, cash payments of less than US\$10.00 (or equivalent) will not be distributed to holders of Ordinary Shares but will instead be aggregated and held for the benefit of the Company.

3. Approval of the Capital Reorganisation and Share Purchase

In accordance with article 14 of its Articles, the Company may reorganise its share capital by a resolution of its Directors, and in accordance with paragraph 7 of its Memorandum, its Memorandum may be amended by a resolution of its Directors.

On 23 October 2017 the Board:

- (a) resolved to consolidate the Ordinary Shares on the basis of one Consolidated Ordinary Share for every 1,000 Ordinary Shares (the Consolidation to take effect following close of trading on the BSX on the Record Date);
- (b) resolved to amend the Company's Memorandum to reflect the consolidation of the Ordinary Shares;
- (c) resolved, subject to the registration of the amended Memorandum with the Registrar of International Business Companies, to authorise the purchase by the Company out of surplus (being the excess at the time of the determination of the total assets of the Company over the sum of its total liabilities as shown in its books of account, plus its capital) of the fractional entitlements arising pursuant to the Consolidation for cancellation;
- (d) determined, in accordance with to section 36.2 of the Act, that immediately after the Share Purchase:
 - (i) the Company will be able to satisfy its liabilities as they become due in the ordinary course of its business; and
 - (ii) the realisable value of the assets of the Company will not be less than the sum of its total liabilities, other than deferred taxes, as shown in the books of account, and its capital;
- (e) resolved, subject to the Consolidation and the Share Purchase being successfully completed, to:
 - (i) authorise the subdivision of the Consolidated Ordinary Shares on the basis of 1,000 New Ordinary Shares for every Consolidated Ordinary Share; and
 - (ii) amend the Company's Memorandum to reflect the subdivision of the Consolidated Ordinary Shares.

Subject to the registration of the amended Memorandum with the Registrar of International Business Companies, the Subdivision shall take effect at 1.00 p.m. (Belize Time) on 30 October 2017.

Copies of the Company's amended Memorandum will be made available on the Company's website www.cihltd.co in accordance with the LSE's AIM Rules for Companies.

Holders of Ordinary Shares shall continue to be entitled to acquire or dispose of Ordinary Shares until the Record Date (and if such holders thereby come to hold 1,000 Ordinary Shares or more on the Record Date such holders will receive Consolidated Ordinary Share(s) as referred to above).

4. Payment and new share certificates

Cash payments due to shareholders for any fractional entitlements shall be made in UK pounds sterling to shareholders with a registered address in the United Kingdom, Belize dollars to shareholders with a registered address in Belize and in US dollars to all other shareholders, in each case by cheque. The exchange rate for the conversion of cash payments from US dollars to UK pounds sterling shall be calculated by reference to the middle market spot rate for UK pounds sterling to US dollar exchange on the Record Date as published in the Financial Times on the Business Day following the Record Date. The exchange rate for US dollars to Belize dollars is fixed on a 1:2 basis.

The cheques in respect of fractional entitlements and share certificates in respect of the New Ordinary Shares will be dispatched on or before 10 November 2017. No share certificates will be issued in respect of entitlements to the Consolidated Ordinary Shares. Old share certificates in respect of the Company's Ordinary Shares (prior to the Capital Reorganisation) should either be destroyed or returned to the Company.

If you have any questions, please call Capita Asset Services on 0371 664 0321 (or +44 371 664 0321 from outside the United Kingdom). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. - 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Capita Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Yours faithfully,



Cheryl Jones
(Chairman)

