

WATERLOO INVESTMENT HOLDINGS LIMITED ANNOUNCES PROPOSED ACQUISITION OF CARIBBEAN INVESTMENT HOLDINGS LIMITED AND NEW DIVIDEND POLICY

25th August 2022 – Waterloo Investment Holdings Limited ("Company" or "WIHL") today announces that it has entered into a binding agreement to acquire the entire issued share capital of Caribbean Investment Holdings Limited ("CIHL"), a leading provider of financial services in Belize ("Acquisition").

The Acquisition will be implemented through a share for share exchange. This will be satisfied through the issue of new Company shares at a ratio of 1.25 new Company shares for every 1 CIHL share held by CIHL shareholders ("Exchange Ratio"). The Exchange Ratio results in an implied premium for CIHL shareholders.

Rationale for the Acquisition

The Company believes that the Acquisition represents an attractive proposition which supports its growth strategy. WIHL currently comprises of four key operating divisions: (i) Hospitality, (ii) Financial Services (iii) Investments and (iv) Latin American Associates. The Acquisition presents an opportunity for the Company to expand its geographic reach in line with its stated strategy.

Hospitality - WIHL currently operates three hotels in Turks and Caicos, the Alexandra Resort, the Blue Haven Resort and Ambergris Cay Private Island. WIHL also currently owns and operates three hotels in Belize including the Radisson Fort George and the Alaia Marriott Autograph. In recent years WIHL has been acquiring additional land as it seeks to expand its hotel portfolio.

CIHL also owns a portfolio of land in Belize, some of which are situated in locations which are attractive for the development of tourism related businesses. WIHL believes this Acquisition will facilitate the continued expansion of its Hospitality business.

Financial Services - WIHL owns and operates British Caribbean Bank, a leading provider of commercial lending in the Turks and Caicos whose assets are principally comprised of loans that have a high concentration in asset backed lending to the tourism and property development sectors.

The Acquisition presents WIHL with a significant opportunity to expand its banking operations as CIHL's primary asset is The Belize Bank Limited (the "Belize Bank"), the largest full-service bank in Belize, which has recently undertaken its own significant expansion through the acquisition of Scotiabank (Belize) Ltd and currently operates a total of eleven branches in Belize.

WIHL will benefit from the addition of CIHL's retail banking operations, including its FinTech offering. The Belize Bank has a successful mobile banking app which the Belize Government has recently announced will be utilized as an acceptable method of payment to them. The Belize Bank also operates a state of the art front of business and back office banking IT system – one of the most sophisticated in the region – the benefits of which can be extended to British Caribbean Bank. The Belize Bank and British Caribbean Bank will also be looking at the potential of migrating Belize Bank's core banking system to facilitate integration.

Investments - Assets held within this division which WIHL and CIHL each own including the land portfolios, will offer WIHL the opportunity to expand its businesses through further investment.

Latin American Associates - This division comprises of approximately 25% of Corporacion Iberoamericana Alimentaria, S.A., Tower Strategic, Ltd., Mesocafta International, S.A. and BVI International Holdings, Inc. (together the "Latin American Associates"). These companies own edible oil processing and distribution operations and palm seed plantations in Latin America and operate as

producers and distributors of edible oils, margarine, industrial oils and animal feed. This investment will not be impacted by the Acquisition.

The Acquisition will see the WIHL business expand further into geographies in line with its focus on neighbouring jurisdictions with a similar legal and regulatory framework. In particular, WIHL will strengthen its focus in Belize. This will be an important step for WIHL, given its current ongoing work on the Belize Port Project.

The Company believes that the Acquisition is an attractive proposition for shareholders. Shareholders of the Company following the Acquisition will benefit from a more diversified investment through the enlarged WIHL group, as well as expected cost savings and efficiencies over time particularly in banking and hospitality with the consolidation through centralized offices. The Acquisition is also intended to offer shareholders greater liquidity, an opportunity to participate in WIHL's and CIHL's future growth, and an investment in one of the region's largest businesses post-Acquisition.

Upon completion of the Acquisition, Mr. Lyndon Guiseppi, the current Chief Executive Officer of CIHL, will join the Board of Directors of WIHL.

Structure of the Acquisition

The Company has today entered into a share exchange agreement ("SEA") with the Company's controlling shareholder, Lord Michael Ashcroft KCMG PC, to purchase all of the 107,137,496 ordinary shares in CIHL beneficially owned by him, representing 81.12% of the total outstanding shares in CIHL (the "Majority Stake").

The Majority Stake represents a "*Controlling Interest*" pursuant to the CIHL articles of association. The CIHL articles of association permit the seller of a Majority Stake to exercise a drag mechanism, requiring minority CIHL shareholders to sell their shares at the same time and on the same terms (the "Drag Mechanism").

The SEA is therefore conditional upon, amongst other things, (i) Lord Ashcroft exercising the Drag Mechanism, (ii) the earlier of the drag notice period required by the Drag Mechanism of 14 days having expired or all CIHL shareholders returning a signed drag form of acceptance, and (iii) the Bermuda Stock Exchange granting the Company approval to list the consideration shares. Completion under the SEA is expected to occur once all SEA conditions have been satisfied, and that is currently expected to be on or around 16 September 2022.

As a consequence of the Drag Mechanism, the terms of the Acquisition are such that the Company intends to purchase 100% of the CIHL shares on the date of completion of the Acquisition. Following completion of the Acquisition, CIHL will de-list from the Bermuda Stock Exchange.

Consideration for the Acquisition

Under the terms of the SEA, the Company will issue 133,921,869 new Company shares to Lord Ashcroft in accordance with the Exchange Ratio. The terms offered to CIHL minority shareholders pursuant to the Drag Mechanism are the same as those agreed by Lord Ashcroft for the Majority Stake, in line with the Exchange Ratio, subject to fractional entitlements.

CIHL has a total of 132,080,694 shares in issue, and therefore full satisfaction of the consideration under the SEA and the Drag Mechanism will mean that as at completion of the Acquisition, the Company will issue 165,100,867 new shares (including those issues to Lord Ashcroft), and will have 655,134,722 shares in issue (the "Consideration"). The Company has an authorised share capital of up to 1,750,000,000 ordinary shares.

The net book value per WIHL ordinary share in the audited consolidated financial statements of WIHL at March 31, 2022 amounted US\$1.07. The net book value per CIHL ordinary share in the audited consolidated financial statements of CIHL at March 31, 2022 amounted US\$1.03. The share exchange ratio of 1.25 for 1 therefore represents a 29.8% premium over the book value of CIHL shares as at March 31, 2022. In calculating the appropriate Exchange Ratio, WIHL took the anticipated strategic, operational and financial synergies of the Acquisition described above into account, as well as the free cash available at CIHL corporate level as at March 31, 2022.

As a result of the Acquisition, the percentage holding of Company shareholders (excluding Lord Ashcroft) shall be reduced from 5.74% to 4.29% (assuming that a Company shareholder does not also hold CIHL shares and therefore receive additional Company shares pursuant to the Acquisition). Lord Ashcroft's holding in the Company shall be reduced from 94.26% to 90.95%.

Acquisition Governance

Owing to the fact that the existing Company director, Lord Ashcroft, is a seller pursuant to the Acquisition, the Company board of directors has formed a transaction committee comprising of Melquisedec Flores, Sarah Ashcroft, Peter Gaze and Stewart Howard to approve and implement the Acquisition.

Company shareholders do not need to take any further action in relation to the Acquisition, which is not subject to shareholder approval.

Dividend Policy

The Company is pleased to announce a new dividend policy. Pursuant to the new policy, the Company intends to pay an aggregate dividend to all shareholders in the Company of at least USD 10 million per annum. The first payment under this policy is expected to be made in December 2022, and future dividend payments are also expected to be made each December. Payments under the policy, as with other listed companies, will be subject to available reserves and market conditions.

For further information contact:

Waterloo Investment Holdings Limited at 101 Governors Road, Leeward, Providenciales, Turks & Caicos Islands, B.W.I. or send an email via the Company's website <http://www.wihl.com>.

Additional information

This announcement does not constitute an offer to the public requiring an approved prospectus. Accordingly, this document is not a prospectus. This announcement does not constitute or form part of an offer for sale or solicitation of an offer to purchase or subscribe for securities in the United States, Canada, Australia, South Africa, Japan or any other jurisdiction and the securities referred to herein have not been registered under the securities laws of any such jurisdiction. The Company's shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold, directly or indirectly, in the United States, absent registration under or an exemption from, or transaction not subject to, the registration requirements of, the Securities Act. No public offering of securities is being made in the United States or in any other jurisdiction.