

SAGICOR REAL ESTATE X FUND LIMITED

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SAGICOR REAL ESTATE X FUND LIMITED

(Incorporated in Saint Lucia)

ANNOUNCEMENT OF NON-RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE TO SHAREHOLDERS AS OF August 17, 2015 (“the Record Date”)

KINGSTON, JAMAICA, AUGUST 3, 2015

Sagicor Real Estate X Fund Limited (“the Company” or “X Fund”) is pleased to announce that it proposes to undertake a *pro rata* non-renounceable non-underwritten rights issue (“Rights Issue”) of up to 598,134,700 new ordinary shares (“the Rights Shares”) on the basis of two (2) new ordinary shares for every five (5) ordinary stock units held as at August 17 2015 (“the Record Date”). The rights issue price will be J\$6.95 per share which represents a 13.45% discount on J\$8.03 (being the closing price of the stock on the Jamaican Stock Exchange on the trading day immediately preceding this announcement).

The gross funds expected to be raised from this Rights Issue is J\$4,157,036,165. The funds raised from the Rights Issue (which will convert to approximately US\$35,229,120 (using an exchange rate of US\$1.00 = J\$118.00) are intended to be used to assist X Fund to acquire a convention hotel in Orlando, Florida, which is affiliated with a major hotel chain. If the purchase of the hotel is completed before completion of the Rights Issue then the funds raised in the Rights Issue will go to liquidate, in part, any bridge financing obtained by X Fund.

The resort has 742 rooms (inclusive of 17 suites) with over 62,800 square feet of meeting and convention space. It is located in Orlando at the entrance to the Universal Theme Park. The balance of the purchase price is expected to be funded by way of a loan.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE

The Rights will be granted to shareholders of record on August 17, 2015 (“the Record Date”). In accordance with the Rules of the Jamaica Stock Exchange the stock units of the X Fund will trade cum rights up to August 13, 2015 after which they will begin to trade ex rights.

NOT UNDERWRITTEN

The Rights Issue is not underwritten. Sagicor Pooled Diversified Investment Fund (48.21%) and other connected Sagicor entities which together own approximately 80% of the stock units of the Company have stated that they intend to take up all their Rights. Shareholders who do not take up any of their Rights will be diluted by 28.57% assuming that all the Rights Shares are taken up and the Rights Issue is not up-sized. If the Rights Issue is up-sized see below for the maximum dilution factor.

UN-ALLOCATED POOL

Shares arising from fractional entitlement (when a stockholder's holding is not divisible by 5 without leaving a fraction) as well as Rights Shares not taken up by the shareholders to whom they are provisionally allotted will go into an Un-allocated Pool and other shareholders will be able to purchase those shares at the rights issue price of J\$6.95. X Fund reserves the right, in the event of over-subscription for shares from the Un-allocated Pool to upsize the Rights Issue by releasing up to maximum of 149,533,675 shares into the Un-allocated Pool to meet demand from its shareholders. X Fund does not intend to up-size the Rights Issue beyond the aforesaid maximum. If the Rights Issue is up-sized to the maximum the issued share capital of the Company would be increased by 50% over the current amount of shares in issue (1,495,336,750 stock units) and a shareholder who did not take up any of his Rights Shares would be diluted by 33 $\frac{1}{3}$ %. A timely announcement will be made if the Rights Issue is up-sized. X Fund reserves the right, in the event of upsizing, to extend the closing date to facilitate wide shareholder participation.

In the event that there is over-subscription for the shares in the Un-allocated Pool (after allowance for up-sizing to the limit stated above then all application for shares from the Un-Allocated Pool would be scaled down *pro rata* based on applications for shares from the Un-allocated Pool.

IMPORTANT DATES

Announcement Date: August 3, 2015

Ex Trade Date: August 13, 2015

Record Date: August 17, 2015

Opening Date: August 19, 2015

Closing Date: September 2, 2015

X Fund is the largest publicly-traded real estate investment company in Jamaica. It was listed on the Jamaican Stock Exchange in 2013 raising J\$1.49 billion, in Jamaica's largest initial public offering ("IPO"). For the financial year December 2014, X Fund recorded net profit after tax of J\$921.4 million with assets valued at \$14.219 billion representing an increase of 69% over total assets at the end of the preceding financial year.