



TRINIDAD CEMENT LIMITED

NOTICE TO SHAREHOLDERS

DEBT REFINANCING

In the first quarter of 2014, the TCL Group received four (4) unsolicited proposals to refinance the Group's US\$300 million debt. Three (3) of these proposals recommended accessing the buoyant US High Yield Bond market, which, the Group was advised, had the depth to refinance the existing debt at lower interest rates, facilitating improved cash flow and more flexible covenants. It was also advised that the debt and capital markets in the Caribbean are too thin to handle this level of refinancing.

After evaluating the proposals (including proposals from two major Wall Street firms), the TCL Board elected to move forward, on the basis of an approved interest rate target and engaged a syndicate of underwriters comprising GMP Securities L.P., Byron Capital Markets, and Jamaica Money Market Brokers Limited (JMMB). This syndicate was selected since it was the only one that could offer a TT\$ tranche. Tapping the TT\$ market was considered an important part of the refinancing strategy, as bonds sold in Trinidad and Tobago would not attract withholding tax and would provide a hedge against foreign exchange risk.

Following a lengthy process of due diligence and documentation, including advice from the underwriters as to expected coupon range and covenants, TCL launched a roadshow to potential investors in the US, Canada and Trinidad & Tobago from 6th to 16th May, 2014. The roadshows were conducted in New York, Boston, Toronto, Cincinnati, Los Angeles, Minneapolis and Port of Spain. On the roadshow, TCL Group executives received valuable feedback about the Group's business and alternative strategies for refinancing the existing debt as a "first-time" issuer. TCL's bonds were rated B (stable outlook) by Standard & Poor's and B- (stable outlook) by Fitch Ratings. **The transaction documents were sent to over 500 institutional investors across North America and the Caribbean ending with a final order book of US\$389 million.** Some investors requested modifications to the proposed coupon and covenant package, which were considered by the TCL Board. After evaluating the order book, the TCL Board decided to postpone the refinancing, and await more favourable market conditions, which are expected in the near future. It is believed that such improved market conditions would provide a package more consistent with the Group's development strategies going forward.

Stakeholders will be advised of further initiatives in this regard.

By Order of the Board

May 20, 2014