This document is important and requires your immediate attention. If you are in doubt as to how to respond to the offer, you should consult with your investment advisor, bank manager, attorney-at-law, accountant, tax consultant or other professional advisor.

Trinidad Cement Limited

SUPPLEMENTAL DIRECTORS' CIRCULAR

Dated January 19, 2017

In respect of the Amended Offer made by

Sierra Trading

to purchase up to 132,616,942 ordinary shares
so as to result in Sierra Trading holding not more than
74.9% percent of the issued and outstanding shares of

Trinidad Cement Limited

at a cash price of TT $5.07 per ordinary share
with an option for the shareholders in Trinidad & Tobago and in Jamaica to receive payment in the currency of the USA at the rate of US$0.76 per share unit, and for shareholders in Barbados to be paid in cash in the currency of Barbados in an amount equivalent to TT$5.07 per share.

NOTICE TO SHAREHOLDERS

A Directors' Circular dated December 23, 2016, prepared in compliance with the Trinidad and Tobago Securities Industry (Take-Over) By-Laws, 2005 was previously circulated to all shareholders.

On January 6, 2017 a Supplemental Directors' Circular was issued and uploaded to the website of the Jamaica Stock Exchange ("the Jamaica Supplemental Directors' Circular") for the attention of shareholders in Jamaica in order to bring the original Directors' Circular in line with the Jamaica Stock Exchange Rules, the Rules of the Jamaica Financial Services Commission, as well as the Securities (Take-Overs and Mergers) Regulations, 1999. The Jamaica Supplemental Directors' Circular was also uploaded to the TCL Group website for the attention of all shareholders.

This Supplemental Directors' Circular is being issued further to a Notice of Change and Variation dated and effective as of January 09, 2017, issued by Sierra Trading ("Sierra"), an indirect subsidiary of CEMEX, S.A.B. de C.V. regarding their Offer and Take-Over Bid Circular dated December 05, 2016 (the "Offer") to all shareholders of Trinidad Cement Limited ("TCL") to acquire up to 132,616,942 ordinary shares in TCL at a price of TT$4.50 in cash per TCL share. The said Notice of Change and Variation announced an increase of the Offer Price from TT$4.50 per TCL share to a final offer of TT$5.07, with an option for all TCL shareholders to receive payment in US dollars, with the exception of those resident in Barbados, who will be paid in Barbados dollars. Sierra currently holds 39.5% of TCL's issued share capital and the Offer, as amended by the Notice of Change and Variation ("the Amended Offer") if fully subscribed, will result in Sierra holding not more than 74.9% of the issued and outstanding ordinary shares in TCL.

None of the following entities have commented on the accuracy or adequacy of this Supplemental Directors' Circular:

1. Trinidad and Tobago Securities and Exchange Commission
2. Trinidad and Tobago Stock Exchange
3. Jamaica Financial Services Commission
4. Jamaica Stock Exchange ("JSE")
5. Barbados Financial Services Commission
6. Barbados Stock Exchange

This Supplemental Directors' Circular dated January 19, 2017 is to be read in conjunction with:

1. The Offer and Take Over Bid Circular dated December 05, 2016 issued by Sierra Trading;
2. The Directors' Circular dated December 23, 2016 issued by TCL;
3. The Jamaica Supplemental Directors' Circular; and
4. The Notice of Change and Variation issued by Sierra Trading on January 09, 2017.

Shareholders should seek independent investment, financial and legal advice in respect of their decision whether to accept or reject the Amended Offer, notwithstanding the recommendation made by the Directors of TCL herein, which is not to accept the Amended Offer made by Sierra, having regard to their opinion that the offer is not fair, from a financial point of view, to Shareholders.

INTRODUCTION

Dear Shareholders,

In order to afford you an opportunity to access additional information in making a decision whether to accept or reject the Amended Offer made by Sierra of a final offer of TT$5.07 per ordinary share contained in the Notice of Change and Variation to acquire up to 132,616,942 ordinary shares at the amended price of TT$5.07 per ordinary share, so as to result in Sierra owning not more than 74.9% of the issued and ordinary shares of TCL, please find attached hereto the following documents, which have also been uploaded to the TCL Group website, www.tclgroup.com and to the JSE website, www.jamstockex.com:

1. Consolidated Financial Statements for Year Ended December 31, 2015 (Appendix A).
2. Summary Consolidated Interim Financial Report for the Nine Months ended September 30, 2016 (Appendix B).
3. Certificate of the TCL Group Finance Manager dated January 5, 2017 regarding the 2015 Financial Statements and the Summary Consolidated Interim Financial Report for the Nine Months ended September 30, 2016 (Appendix C).
4. History of Profits of TCL for the previous five (5) years (Appendix D).
5. Valuation Analysis of TCL by PricewaterhouseCoopers (PWC) commissioned January 2015 (Appendix E).
6. PWC's consent dated December 22, 2016 for inclusion of the Valuation Analysis (Appendix F).
7. Ernst & Young Services Limited's Fairness Opinion dated December 20, 2016 (Appendix G).
8. Ernst & Young Services Limited's consent dated December 21, 2016 for inclusion of the Fairness Opinion dated December 20, 2016 (Appendix H).
9. Trades of the last six (6) months of TCL on the TTSE – up to January 9, 2017 (Appendix I).
10. Notice of Change and Variation issued by Sierra Trading dated January 09, 2017 (Appendix J).
11. Ernst & Young Services Limited's Fairness Opinion dated January 18, 2017 in relation to the Amended Offer (Appendix K).
12. Ernst & Young Services Limited's Valuation Report dated January 19, 2017 in support of the Fairness Opinion dated January 18, 2017 (Appendix L).
13. Ernst & Young Services Limited's consent letter dated January 18, 2017 for inclusion of the Fairness Opinion dated January 18, 2017; and Ernst & Young Services Limited's consent letter dated January 19, 2017 for inclusion of the Valuation Report dated January 19, 2017 (Appendix M).

Shareholders are to note that the Amended Offer Price is TT$5.07, and there is an option for all TCL shareholders to receive payment in US dollars at the rate of US$0.76 per ordinary share, with the exception of those resident in Barbados, who will be paid in Barbados dollars.

The above documents are to be treated as included in this Supplemental Directors' Circular. The Supplemental Directors' Circular has been uploaded by TCL to the TCL Group website. It is recommended that you read all of the above mentioned documents very carefully. If you are in doubt as to how to respond to the Amended Offer, you should consult your investment advisor, bank manager, attorney-at-law, accountant, tax advisor or other professional advisor.

BY ORDER OF THE BOARD OF DIRECTORS OF TCL

Kathryna M. Baptiste
Company Secretary

GLOSSARY

In this Supplemental ***Directors' Circular****, unless otherwise specified or the subject matter or context is inconsistent therewith, the terms used herein shall have the same meanings set out in the Glossary of the Directors' Circular dated December 23, 2017. Words importing the singular include the plural and vice versa and words importing any gender include all genders. Unless otherwise indicated, all dollar amounts shown in this Supplemental Directors' Circular are in Trinidad and Tobago dollars.*

IMPORTANT NOTICE

The Supplemental Directors' Circular herein is issued by the Board of Directors in connection with the Amended Offer. The Amended Offer is being made subject to the terms and conditions set out therein. The consideration under the Amended Offer consists of $5.07 in cash per share. **The Amended Offer expires at 3.00 p.m. in Trinidad and Barbados on January 24, 2017; at 2:00 p.m. in Jamaica on the January 24th, 2017** unless withdrawn or extended by the Offeror. The Offeror has indicated in its Amended Offer that the Revised Offer Price of TT$5.07 per share reflects a final offer.

Reference should be made to the Offer and Take-Over Bid Circular and to the said Notice of Change and Variation for complete details of the terms and conditions of the Amended Offer.

SECURITIES INDUSTRY (TAKE-OVER) BY-LAWS, 2005
SCHEDULE 1

SUPPLEMENTAL DIRECTORS' CIRCULAR

Item 1 – **Name of Offeror:** SIERRA TRADING

Item 2 – **Name of Offeree Issuer:** TRINIDAD CEMENT LIMITED

Item 3 – **Names of Directors of the Offeree Issuer:**

3.1 Wilfred Osmond Espinet – Chairman
3.2 Wayne Leslie Yip Choy
3.3 Jean Michel Allard
3.4 Alejandro Alberto Ramirez Cantu
3.5 Alison Lewis
3.6 Nigel Edwards
3.7 Francisco Aguilera Mendoza – Deputy Chairman
3.8 Ruben McSween
3.9 Bryan Ramsumair
3.10 Arun K. Goyal
3.11 Jose Luis Seijo Gonzalez – Managing Director

Item 4 – **Ownership of Securities of Offeree Issuer:**

The listing of directors and senior officers of the Offeree Issuer who own or have control over shares of the Offeree Issuer as included in the Directors' Circular dated December 23, 2016 is hereby withdrawn and replaced with the following:

The directors and senior officers of the Offeree Issuer who own or have control over shares of the Offeree Issuer are as follows:

Shareholdings of Directors and Senior Officers

	Name	Number of shares held directly	Percentage	Number of shares held indirectly	Percentage
	Wilfred Espinet, Director	10,285,195	2.75%	Nil	-
	Nigel Edwards, Director	16,095	-	9,332,873	2.49%
	Wayne Yip Choy, Director	878,556	0.23%	Nil	-
	Ruben McSween, Director	Nil	-	44,671,636	11.92%
	Arun K. Goyal, Director	336,681	0.09%	272,798	0.07%
*	Jean Michel Allard, Director	Nil	-	Nil	-
*	Alejandro Alberto Ramirez Cantu, Director	Nil	-	Nil	-
*	Alison Lewis, Director	Nil	-	Nil	-
*	Francisco Aguilera Mendoza, Director	Nil	-	Nil	-
*	Bryan Ramsumair, Director	Nil	-	Nil	-
*	Jose Luis Seijo Gonzalez, Managing Director	Nil	-	Nil	-
	Jinda Maharaj, GM - TCL	1,193,107	0.32%	Nil	-
	Egwin Daniel, GM – International Business & Mktg.	61,609	0.02%	Nil	-
	Kathryna Baptiste, Group Manager Legal/Co. Sec.	2,172	-	Nil	-
	Gewan Armoogam, Group Internal Auditor (Ag.)	11,313	-	Nil	-
	Roger Ramdwar, General Manager – TPL/TPM	19,693	0.01%	100,000	0.03%
*	Peter Donkersloot, General Manager - CCCL	Nil	-	Nil	-
*	Manuel Toro Varon, General Manager - ACCL	Nil	-	Nil	-
*	Andres Pena, General Manager – RML	Nil	-	Nil	-
*	Luis Ali Moya, Group Finance Manager	Nil	-	Nil	-
*	Ricardo Garcia Viani, Group Strategic Planning Mgr.	Nil	-	Nil	-
*	Miguel Estrada Sanchez, Group Operations Manager	Nil	-	Nil	-
*	Juan Carlos Mendoza, Group Procurement Manager	Nil	-	Nil	-

* Do not own or exercise control or direction over any of the outstanding securities of any class of securities of the offeree issuer.

Item 5 – **Acceptance of Changed and Varied Take-Over Bid:**

As at the present time, after reasonable enquiry, the following directors and senior officers referred to in Item 4 above have indicated that they have accepted or intend to accept the Amended Offer:

Wilfred Espinet, Director intends to accept the offer in respect of 10,285,195 shares
Wayne Yip Choy, Director has accepted the offer in respect of 878,556 shares
Arun Goyal, Director intends to accept the offer in respect of 609,479 shares

Item 6 – **Ownership of Securities of Offeror:**

The Bid is not made by or on behalf of an Offeror that is an Issuer and this item is therefore not applicable.

Item 7 – **Relationship between the Offeror and the Directors and Senior Officers of the Offeree Issuer:**

There is no agreement, arrangement, commitment or understanding made or proposed to be made between the Offeror and any of the directors or senior officers of the Offeree Issuer. The following directors or senior officers of the Offeree Issuer are also directors or senior officers of the Offeror or a subsidiary of the Offeror, namely:

1. Alejandro Alberto Ramirez Cantu - TCL Director and Country Director, CEMEX, Costa Rica
2. Francisco Aguilera Mendoza – TCL Director and Vice President of Planning, CEMEX South, Central America and the Caribbean Region and CEMEX Colombia
3. Jose Luis Seijo Gonzalez – TCL Managing Director and former Vice President of Strategic & Finance Planning, CEMEX, Spain and the Mediterranean Region.

Item 8 – **Agreement between Offeree Issuer and Officers and Directors:**

No arrangement, agreement, commitment or understanding has been made or is proposed to be made between the Offeree Issuer and any of the directors or senior officers of the Offeree Issuer pursuant to which a payment or other benefit is to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the changed and varied Take Over Bid is successful.

Item 9 – **Interests of Directors and Senior Officers of the Offeree Issuer in material contracts of the Offeror:**

No director or senior officer of the Offeree Issuer and their associates and, where known after reasonable enquiry, whether any person who owns more than 10% of any class of voting equity securities of the Offeree Issuer for the time being outstanding, has any interest in any material contract to which the Offeror is a party.

Item 10 – **Trading by Directors and Officers:**

(1) The following are the number of securities of the Offeree Issuer traded, the purchase or sale price and the date of each such transaction during the six-month period preceding the date of the directors' circular by the Offeree Issuer and each director and senior officer of the Offeree Issuer and where known after reasonable enquiry by –

(a) Each associate of a director or senior officer of the Offeree Issuer:

Jinda Maharaj - General Manager, TCL (Executive ESOP Purchases):

DATE	***AMOUNT***	***PURCHASE PRICE***
September 6, 2016	107,715	$328,530.75
September 19, 2016	5,460	$17,035.20
September 22, 2016	3,000	$9,350.00

(b) Any person holding more than 10% of a class of voting or equity securities of the Offeree Issuer:

Ruben Mc Sween - Director (Indirect purchases made by the National Insurance Board of Trinidad and Tobago):

DATE	***AMOUNT***	***PURCHASE PRICE***
July 8, 2016	493,835	$1,654,347.25
September 8, 2016	619,532	$1,932,939.84

(c) Any person acting jointly or in concert with the Offeree Issuer - None

(2) No securities of the Offeree Issuer of the class of securities subject to the Amended Offer or convertible into securities of that class that have been issued to the directors and senior officers of the Issuer during the two year period preceding the date of the Offer and Take-Over Bid Circular.

Item 11 – **Additional Information:**

The Board of Directors received advice from external legal counsel that (i) no additional information that is required to be disclosed by the changed and varied Take-Over Bid prepared by the Offeror has been presented incorrectly or is misleading nor is there any additional information within the knowledge of the Offeree Issuer which would make the information in the Supplemental Directors' Circular correct or not misleading; (ii) the Amended Offer was validly made in conformity with the Take-Over By-laws; (iii) the Board is obligated to make a statement regarding a recommendation to the Shareholders; and (iv) the making of a recommendation to the Shareholders is not inconsistent with the Board's fiduciary obligations to the Company.

The foregoing discussion of the factors considered by the Board of Directors is not intended to be exhaustive, but addresses the material information and factors considered by the Board of Directors in its review and consideration of the Amended Offer.

Shareholders, however, should consider the Amended Offer carefully and make their own decision as to acceptance or rejection of the Amended Offer.

Item 12 – **Material Changes in the affairs of the Offeree Issuer:**

The directors or senior officers of the Offeree Issuer do not know of any material change in the affairs of the Offeree Issuer since the date of the last published interim or annual financial statements of the Offeree Issuer, other than the Amended Offer.

Item 13 - **Fairness Opinion and Valuation Report:**

Fairness Opinion:

On the 9th day of January, 2017 Ernst & Young Services Limited (EY) were commissioned by a Special Committee of the Board of the Offeree Issuer ("TCL Special Committee") to provide a Fairness Opinion to the TCL Special Committee in connection with the Amended Offer. The said Fairness Opinion was completed and submitted to the TCL Special Committee on the 18th day of January, 2017. In addition to an introduction and statement as to the independence of EY, the Fairness Opinion sets out the scope of its review, the assumptions and limitations upon which the Fairness Opinion is based and the approach used in coming to the conclusion in the Fairness Opinion. EY have stated in the Fairness Opinion that the Amended Offer of TT$5.07 is not fair, from a financial point of view, to the shareholders of TCL. A copy of the said Fairness Opinion is attached hereto as Appendix K.

Valuation Report:

Consistent with the requirements of the JSE Rules, the Jamaica Financial Services Commission Regulations and the Securities (Take-Overs and Mergers) Regulations, 1999 of Jamaica, the TCL Special Committee further commissioned EY to provide a valuation report in support of the Fairness Opinion. EY's report is included as Appendix L. The EY value conclusion per TCL share results in a valuation range of TT$5.60 to TT$6.18. EY notes that its valuation report has been prepared to provide information for consideration only by the TCL Special Committee with respect to the Amended Offer, and does not constitute a recommendation to any party as to any course of action they might take. Despite any conclusions reached in EY's valuation report, EY notes that the circumstances of individual shareholders will necessarily determine what course of action they will take in responding to the Amended Offer.

Item 14 – **Other Information:**

There is no other information that has not been disclosed in the foregoing but known to the directors which would reasonably be expected to affect the decision of the security holders of the Offeree Issuer to accept or reject the Amended Offer except for the following information.

DETAILS OF ISSUED CAPITAL OF TRINIDAD CEMENT LIMITED AND SHAREHOLDINGS OF ITS PRINCIPAL SHAREHOLDERS, DIRECTORS, SENIOR OFFICERS AND ASSOCIATES

The total issued share capital of TCL consists of 374,647,704 fully paid ordinary shares of no par value.

Principal Shareholders

Name	**Number of shares**	**Percentage shareholding**
Sierra Trading	147,994,188	39.50 %
National Insurance Board	44,671,636	11.92 %
Baleno Holdings Inc.	30,750,000	8.21 %
Republic Bank Limited	25,198,621	6.73 %
Total	248,614,445	66.36%

Item 15 – **Recommending Acceptance or Rejection of Bid:**

Notwithstanding the final offer of TT$5.07 per share made by Sierra, the Board of Directors of TCL recommends that the Bid, as amended and varied, be also rejected. The principal reasons that the Board recommends that the Amended Offer be rejected are outlined below.

In light of the fact that the offer price is below the range of values, the Board has concluded that it would not be in the interest of shareholders to accept the Amended Offer of TT$5.07 per share.

The Board has carefully considered the Amended Offer and has concluded that the consideration to be received by Shareholders under the Amended Offer is not fair, from a financial point of view, to the Shareholders. The Board is aware that shareholders in Jamaica and in Trinidad and Tobago have the option to receive their compensation in the amount of US$0.76 per share and advises shareholders to consider whether simply that fact would have an impact on their decision making.

Shareholders are urged to read the full contents of this Supplemental Directors' Circular very carefully and also to review the Selected Consolidated Financial Information of CEMEX, its affiliates and subsidiaries on page 9 of the Offer and Take-over Bid Circular and to examine the Availability of Funds letter from CEMEX referred to in Appendix 9 of the said Circular.

Shareholders are also reminded of the cautions set out above in the Section in the preamble to this Directors' Circular headed "Cautionary Statement on Forward Looking Information".

In making their decision, the Shareholders should consider carefully the full terms and conditions of the Amended Offer and particular attention should be given to

Section 2 of the Offer and Take-over Bid Circular. Shareholders who are in doubt as to how to respond to the Amended Offer should consult with their investment advisor, stockbroker, attorney-at-law, accountant, tax consultant or other professional advisor.

Item 16 – **Response of Offeree Issuer:**

(1) There has been no transaction, Board resolution, agreement in principle or signed contract of the Offeree Issuer in response to the Amended Offer;

(2) There has been no negotiations underway in response to the Amended Offer which relate to or would result in

(a) An extraordinary transaction such as a merger or re-organisation involving the Offeree Issuer or a subsidiary;

(b) The purchase, sale or transfer of a material amount of assets by the Offeree Issuer or a subsidiary;

(c) An issuer bid for or other acquisition of securities by or of the Offeree Issuer nor

(d) Any material change in the present capitalisation or dividend policy of the Offeree Issuer.

Item 17 – **Approval of Directors' Circular:**

The contents of this Supplemental Directors' Circular have been approved by the directors of the Offeree Issuer and the delivery of this Supplemental Directors' Circular has been authorised by the directors of the Offeree Issuer.

Item 18 – **Financial Statements:**

The Group Finance Manager of the Offeree Issuer repeats the report made in the Directors' Circular as if set out herein verbatim.

Item 19 – **Certificate:**

The foregoing contains no known untrue statement of a material fact and does not omit to state a known material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. The following directors were recused from the approval of this Supplemental Directors' Circular: Messrs. Alejandro Alberto Ramirez Cantu, Francisco Aguilera Mendoza, and Jose Luis Seijo Gonzalez; and the following directors abstained from approving this Supplemental Directors' Circular: Wilfred Espinet, Wayne Yip Choy and Arun Goyal.

On behalf of the Board of Directors
of
Trinidad Cement Limited

…….....
Alison Lewis
Director

……
Nigel Edwards
Director

Dated: January 19, 2017

APPENDIX A

Consolidated Financial Statements for the Year Ended December 31, 2015

Independent Auditor's Report on the Consolidated Financial Statements

For the year ended 31 December 2015

TO THE SHAREHOLDERS OF TRINIDAD CEMENT LIMITED

We have audited the accompanying consolidated financial statements of Trinidad Cement Limited and its subsidiaries ("the Group") which comprise the consolidated statement of financial position as at 31 December 2015 and the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

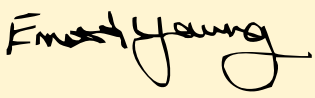
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.



Port of Spain
TRINIDAD:
25 February 2016

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2015 |
(Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated)

Assets	Notes	2015 $	2014 $
Non-current assets			
Property, plant and equipment	8	1,729,794	1,736,030
Pension plan assets	9	5,390	70,240
Receivables	11	4,483	6,049
Deferred tax assets	6 (d)	333,828	347,771
		2,073,495	2,160,090
Current assets			
Inventories	10	480,924	526,432
Receivables and prepayments	11	190,119	226,664
Cash at bank and on hand	12	288,500	96,589
		959,543	849,685
Assets held for sale	26	44	226
Total assets		3,033,082	3,010,001
Equity and liabilities			
Equity			
Stated capital	16 (a)	827,732	466,206
Unallocated ESOP shares	18	(25,299)	(25,299)
Other reserves	16 (b)	(243,485)	(228,187)
Retained earnings		404,345	64,257
Equity attributable to the parent		963,293	276,977
Non-controlling interests	23	(12,323)	(31,450)
Total equity		950,970	245,527
Non-current liabilities			
Long term portion of borrowings	15	976,541	–
Pension plan liabilities	9	32,025	13,055
Other post-retirement benefits	9	68,583	50,800
Deferred tax liabilities	6 (d)	295,464	316,203
Payables and accruals	14	–	8,203
		1,372,613	388,261
Current liabilities			
Short-term advances	13	–	14,707
Payables and accruals	14	519,576	510,973
Current portion of borrowings	15	189,521	1,848,903
		709,097	2,374,583
Liabilities directly associated with assets held for sale	26	402	1,630
Total equity and liabilities		3,033,082	3,010,001

The accompanying notes form an integral part of these consolidated financial statements.

These financial statements were approved by the Board of Directors on 25 February 2016 and signed on their behalf by:

_____ Director _____ Director

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2015 |
(Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated)

	Notes	2015 $	2014 $
Continuing operations			
Revenue	25	2,115,446	2,103,074
Earnings before interest, tax, depreciation, impairment, loss on disposal of property, plant and equipment and manpower restructuring costs	3	588,479	407,845
Manpower restructuring costs	3	(31,099)	–
Depreciation	8	(110,796)	(131,113)
Impairment charges and write-offs	3	–	(155,937)
Loss on disposal of property, plant and equipment	3	(164)	(3,963)
Operating profit	3	446,420	116,832
Finance costs	5 (a)	(164,630)	(213,551)
Debt refinancing gains (net)	5 (b)	205,819	–
Profit/(loss) before taxation from continuing operations		487,609	(96,719)
Taxation charge	6 (a)	(58,714)	(108,584)
Profit/(loss) for the year from continuing operations		428,895	(205,303)
Discontinued operations			
Loss before taxation from discontinued operations	26	(115)	(5,754)
Taxation	6 (a)	–	38
Loss for the year from discontinued operations	26	(115)	(5,716)
Profit/(loss) for the year		428,780	(211,019)
Attributable to:			
Shareholders of the parent		405,108	(214,394)
Non-controlling interests	23	23,672	3,375
		428,780	(211,019)
Basic and diluted earnings/(loss) per share: (expressed in $ per share)	7	$1.19	$(0.87)

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TCL GROUP
Building a Brighter Future

For the year ended 31 December 2015 |
(Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated)

	Notes	2015 $	2014 $
Profit/(loss) for the year		428,780	(211,019)
Other comprehensive income			
Other comprehensive loss to be reclassified to profit and loss in subsequent periods:			
Exchange differences on translation of foreign operations		(18,930)	(30,437)
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods		(18,930)	(30,437)
Other comprehensive loss not to be reclassified to profit and loss in subsequent periods:			
Re-measurement losses on pension plans and other post-retirement benefits	9	(87,685)	(65,610)
Income tax effect		21,752	16,915
		(65,933)	(48,695)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		(65,933)	(48,695)
Other comprehensive loss for the year, net of tax		(84,863)	(79,132)
Total comprehensive income/(loss) for the year, net of tax		343,917	(290,151)
Attributable to:			
Shareholders of the parent		324,790	(284,556)
Non-controlling interests		19,127	(5,595)
		343,917	(290,151)

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015 |
(Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated)

		Equity attributable to the Parent						
	Notes	Stated capital $	Unallocated ESOP shares $	Other reserves $	Retained earnings $	Total $	Non-controlling interests $	Total equity $
Year ended December 31, 2015								
Balance at 1 January 2015		466,206	(25,299)	(228,187)	64,257	276,977	(31,450)	245,527
Other comprehensive loss	16(c)	–	–	(15,298)	(65,020)	(80,318)	(4,545)	(84,863)
Income for the year		–	–	–	405,108	405,108	23,672	428,780
Total comprehensive (loss)/income	16(a)	–	–	(15,298)	340,088	324,790	19,127	343,917
Issue of shares	16(c)	361,526	–	–	–	361,526	–	361,526
Balance at 31 December 2015		827,732	(25,299)	(243,485)	404,345	963,293	(12,323)	950,970
Balance at 1 January 2014		466,206	(25,299)	(205,704)	326,330	561,533	(25,236)	536,297
Other comprehensive loss	16(c)	–	–	(22,483)	(47,679)	(70,162)	(8,970)	(79,132)
(Loss)/income for the year		–	–	–	(214,394)	(214,394)	3,375	(211,019)
Total comprehensive loss		–	–	(22,483)	(262,073)	(284,556)	(5,595)	(290,151)
Dividends	17	–	–	–	–	–	(619)	(619)
Balance at 31 December 2014		466,206	(25,299)	(228,187)	64,257	276,977	(31,450)	245,527

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2015 |
(Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated)

	Note	2015 $	2014 $
Cash from continuing operations		633,019	443,801
Cash from discontinued operations		–	31
Cash from operations	20	633,019	443,832
Pension contributions paid	9 (a)	(12,482)	(10,969)
Post-retirement benefits paid	9 (b)	(1,927)	(1,451)
Taxation paid		(33,687)	(24,147)
Net interest paid		(115,663)	(196,670)
Net cash generated by operating activities		469,260	210,595
Investing activities			
Additions to property, plant and equipment	8	(117,517)	(77,727)
Proceeds from disposal of property, plant and equipment		305	90
Net cash used in investing activities		(117,212)	(77,637)
Financing activities			
Repayment of borrowings		(1,709,364)	(92,310)
Proceeds from borrowings		1,188,830	–
Dividends paid to non-controlling interests		(984)	(653)
Proceeds from issuance of new shares – gross up	16 (a)	364,552	–
Transaction costs incurred on issuance of new shares	16 (a)	(3,026)	–
Net cash used in financing activities		(159,992)	(92,963)
Net increase in cash		192,056	39,995
Net foreign exchange differences		(145)	(1,210)
Net cash – beginning of year		96,589	57,804
Net cash – end of year		288,500	96,589
Represented by:			
Cash at bank and on hand	12	288,500	96,589

The accompanying notes form an integral part of these financial statements.

1. Incorporation and activities

Trinidad Cement Limited (the "Parent Company") is a limited liability company incorporated and resident in the Republic of Trinidad and Tobago. As at year end, the ordinary shares of the Company are publicly traded on the Trinidad and Tobago Stock Exchange (TTSE), Jamaica Stock Exchange (JSE), Barbados Stock Exchange (BSE), Eastern Caribbean Securities Exchange (ECSE) and the Guyana Association of Securities Companies and Intermediaries Inc. (GASCI). At the date of approval of the consolidated financial statements, the Company had embarked upon a process of delisting from the JSE, BSE, ECSE and GASCI exchanges and were at various stages of completion in this delisting process. Trinidad Cement Limited is the ultimate parent of the Group. The Group ("Trinidad Cement Limited and its Subsidiaries") is involved in the manufacture and sale of cement, lime, premixed concrete, packaging materials and the winning and sale of sand, gravel and gypsum. The registered office of the Parent Company is Southern Main Road, Claxton Bay, Trinidad.

A listing of the Group's subsidiary companies is detailed in Note 22.

2. Significant accounting policies

(i) Basis of preparation

The consolidated financial statements of the Group are prepared under the historical cost convention and provide comparative information in respect of the previous period.

Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of these consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014 except for the standards and interpretations noted below:

New and amended standards and interpretations

The Group applied, for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 July 2014.

The nature and the impact of each new standard and amendment are described below:

- Amendments to IAS 19 Defined Benefit Plans: Employee Contributions
- Improvements to IFRSs – 2010-2012 cycle
- Improvements to IFRSs – 2011-2013 cycle

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

IAS 19 requires an entity to consider contributions from employees or third parties when accounting for defined benefit plans. Where the contributions are linked to service, they should be attributed to periods of service as a negative benefit. These amendments clarify that, if the amount of the contributions is independent of the number of years of service, an entity is permitted to recognise such contributions as a reduction in the service cost in the period in which the service is rendered, instead of allocating the contributions to the periods of service. This amendment is effective for annual periods beginning on or after 1 July 2014. These amendments did not impact the Group's financial statements.

Annual Improvements 2010-2012 Cycle

With the exception of the improvement relating to IFRS 2 Share-based Payment applied to share-based payment transactions with a grant date on or after 1 July 2014, all other improvements are effective for accounting periods beginning on or after 1 July 2014. The Group has applied these improvements for the first time in these consolidated financial statements. They include:

IFRS 2 Share-based Payment

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions. The clarifications are consistent with how the Group has identified any performance and service conditions which are vesting conditions in previous periods. These amendments did not impact the Group's financial statements.

IFRS 3 Business Combinations

The amendment is applied prospectively and clarifies that all contingent consideration arrangements classified as liabilities (or assets) arising from a business combination should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IAS 39. This amendment did not impact the Group's financial statements.

2. Significant accounting policies (continued)

(i) Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

Annual Improvements 2010-2012 Cycle (continued)

IFRS 8 Operating Segments

The amendments are applied retrospectively and clarify that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'.
- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities.

These amendments have no impact on the consolidated financial statements as the Group does not apply the aggregation criteria.

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data by either adjusting the gross carrying amount of the asset to market value or by determining the market value of the carrying value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset. These amendments have no impact on the consolidated financial statements.

IAS 24 Related Party Disclosures

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. The relevant disclosures are provided in note 4: "Related party disclosures."

Annual Improvements 2011-2013 Cycle

These improvements are effective from 1 July 2014 and the Group has applied these amendments for the first time in these consolidated financial statements. They include:

IFRS 3 Business Combinations

The amendment is applied prospectively and clarifies for the scope exceptions within IFRS 3 that:

- Joint arrangements, not just joint ventures, are outside the scope of IFRS 3
- This scope exception applies only to the accounting in the consolidated financial statements of the joint arrangement itself

The Group is not a joint arrangement, and thus this amendment is not relevant.

IFRS 13 Fair Value Measurement

The amendment is applied prospectively and clarifies that the portfolio exception in IFRS 13 can be applied not only to financial assets and financial liabilities, but also to other contracts within the scope of IAS 39. The Group does not apply the portfolio exception in IFRS 13.

IAS 40 Investment Property

The description of ancillary services in IAS 40 differentiates between investment property and owner-occupied property (i.e., property, plant and equipment). The amendment is applied prospectively and clarifies that IFRS 3, and not the description of ancillary services in IAS 40, is used to determine if the transaction is the purchase of an asset or a business combination. These amendments have no impact on the consolidated financial statements.

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

- IFRS 9 – Financial Instruments – Effective 1 January 2018
- IFRS 14 – Regulatory Deferral Accounts – Effective 1 January 2016
- IFRS 15 – Revenue from Contracts with Customers – Effective 1 January 2017
- IFRS 16 – Leases – Effective 1 January 2019

2. Significant accounting policies (continued)

(i) Basis of preparation (continued)

Changes in accounting policy and disclosures (continued)

Standards issued but not yet effective (continued)

- Amendments to IFRS 11 Joint Arrangements – Accounting for Acquisition of Interests – Effective 1 January 2016
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation – Effective 1 January 2016
- Amendments to IAS 16 and IAS 41 Agriculture – Bearer Plants – Effective 1 January 2016
- Amendments to IAS 27 – Equity Method in Separate Financial Statements – Effective 1 January 2016
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Effective 1 January 2016
- Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception – Effective 1 January 2016
- Amendments to IAS 1 Disclosure Initiative – Effective 1 January 2016

The Group is currently assessing the potential impact of these new standards and interpretations.

Annual Improvements to IFRSs 2012-2014 Cycle

Certain limited amendments, which primarily consist of clarifications to existing guidance, were made to the following standards and are not expected to have a material impact on the consolidated financial statements:

- IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
- IFRS 7 Financial Instruments: Disclosures
- IAS 19 Employee Benefits
- IAS 34 Interim Financial Reporting

These improvements are effective for annual periods beginning on or after 1 January 2016.

(ii) Going concern

The Group has reported a profit before taxation from continuing operations of $487.6 million for the year ended 31 December 2015 (loss before taxation from continuing operations of $96.7 million in 2014). Outstanding debt obligations amount to $1.2 billion as at year end relative to $1.8 billion in the prior year. In addition, the Group held cash and cash equivalents of the $288.5 million as at year end (2014: 97 million).

On 30 March 2015 the Group negotiated with its lenders amendments to the restructured loan agreement (the "Override Agreement") which addressed the debt default condition which existed as at 31 December 2014. As a condition of the amended Override Agreement the Company was required to receive equity contributions of at least US$50 million by 31 March 2015. On 31 March 2015 the Company successfully completed the Rights Issue of 124.9 million shares and raised net proceeds of $361.5 million.

As per the terms of the amendment to the Override Agreement, the Lenders agreed to waive existing defaults, to reschedule principal repayments, to reduce interest rates and to grant a discount to the Group if the debt was repaid within 90 days of the amended agreement.

On 11 May 2015 the Group negotiated a short term loan agreement (the "Credit Agreement"), which raised $1.6 billion, and allowed the Group to fully repay the lenders under the Override Agreement. The Group received a discount of $199.4 million upon repayment of the lenders under the Override Agreement. On 11 August 2015 the Company negotiated a five year loan agreement (the "Amended and Restated Credit Agreement") with the assistance of the lenders under the Credit Agreement. As at 31 December 2015, total borrowings of the Group were reduced to $1.2 billion ($1.8 billion as at 31 December 2014).

Overall, the Group has fully remediated the debt default condition which existed in 2014 and through the restructuring process undertaken in 2015, has reduced its debt exposure and increased cash and cash equivalent balances at year end. The Group is well positioned to meet its ongoing long term debt obligations as they fall due.

(iii) Basis of consolidation

These consolidated financial statements comprise the financial statements of Trinidad Cement Limited ("the Parent") and its subsidiaries (collectively "the Group") as at 31 December and for the year then ended. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

2. Significant accounting policies (continued)

(iii) Basis of consolidation (continued)

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The financial statements of subsidiaries are prepared for the same reporting period as the parent, using consistent accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the carrying amount of assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Reclassifies to profit or loss or to retained earnings, as appropriate, the amounts recognised in OCI as would be required if the Group had directly disposed of the related assets or liabilities
- Recognises any resulting difference as a gain or loss in profit or loss attributable to the Parent

Non-controlling interests represent the interests not held by the Group, in Readymix (West Indies) Limited, Caribbean Cement Company Limited, TCL Ponsa Manufacturing Limited, TCL Packaging Limited and TCL Guyana Inc.

(iv) Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The key judgements, estimates and assumptions concerning the future and other key sources of estimation uncertainty at the consolidated statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell is determined using an approach that includes the use of market observable data for similar type cash generating units. The value in use calculation is based on a discounted cash flow model. The

2. Significant accounting policies (continued)

(iv) Significant accounting judgements, estimates and assumptions (continued)

cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the existence of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective Group company's domicile.

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Pension and post-retirement benefits

The cost of defined benefit pension plans and other post-retirement benefits is determined using actuarial valuations. The actuarial valuation involves making judgements and assumptions in determining discount rates, expected rates of return on assets, future salary increases and future pension increases. Due to the long term nature of these plans, such assumptions are subject to significant uncertainty. All assumptions are reviewed at each reporting date.

Property, plant and equipment

Management exercises judgement in determining whether costs incurred can accrue significant future economic benefits to the Group to enable the value to be treated as a capital expense.

Further judgement is applied in the annual review of the useful lives of all categories of property, plant and equipment and the resulting depreciation determined thereon.

Additionally, management exercises judgement in the determination of the key assumptions utilised in the impairment tests performed on the property, plant and equipment. These assumptions include the use of a suitable discount rate and applicable cash flow forecasts to be used in the analysis. These variables significantly impact the results and conclusions derived from the impairment tests performed.

Provision for doubtful debts

Management exercises judgement in determining the adequacy of provisions established for accounts receivable balances for which collections are considered doubtful. Judgement is used in the assessment of the extent of the recoverability of certain balances. Actual outcomes may be materially different from the provision established by management.

(v) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2. Significant accounting policies (continued)

(v) Business combinations and goodwill (continued)

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with IAS 39: "Financial instruments: Recognition and Measurement" either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

(vi) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. All other repairs and maintenance are recognised in the statement of income.

Depreciation is provided on the straight line or reducing balance basis at rates estimated to write-off the assets over their estimated useful lives. The estimated useful lives of assets are reviewed periodically, taking account of commercial and technological obsolescence as well as normal wear and tear, and the depreciation rates are adjusted if appropriate. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Current rates of depreciation are:

Buildings	-	2%	-	4%
Plant, machinery and equipment	-	3%	-	25%
Motor vehicles	-	10%	-	25%
Office furniture and equipment	-	10%	-	33%

Leasehold land and improvements are amortised over the shorter of the remaining term of the lease and the useful life of the asset. Freehold land and capital work-in-progress are not depreciated. The limestone reserves contained in the leasehold land at a subsidiary is valued at fair market value determined at the date of acquisition of the subsidiary. A depletion charge is recognised based on units of production from those reserves.

All other limestone reserves which are contained in lands owned by the Group are not carried at fair value but the related land is stated at historical cost.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of income in the year the asset is derecognised.

2. Significant accounting policies (continued)

(vii) Inventories

Plant spares, raw materials and consumables are valued at the lower of weighted average cost and net realisable value.

Work in progress and finished goods are valued at the lower of cost, including attributable production overheads, and net realisable value. Net realisable value is the estimate of the selling price less the costs of completion and direct selling expenses.

(viii) Foreign currency translation

The consolidated financial statements are presented in Trinidad and Tobago dollars (expressed in thousands), which is the Parent's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions

Transactions in foreign currencies are initially recorded by Group entities in their functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign currency spot rate of exchange ruling at the reporting date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Exchange differences on foreign currency transactions are recognised in the consolidated statement of income.

Foreign entities

On consolidation, assets and liabilities of foreign entities are translated into Trinidad and Tobago dollars at the rate of exchange ruling at the financial reporting date and their statements of income are translated at the weighted average exchange rates for the year. The exchange differences arising on re-translation are recognised in other comprehensive income. On disposal of the foreign operation, the deferred cumulative amount recognised in other comprehensive income is recognised in the consolidated statement of income.

(ix) Deferred expenditure

The cost of installed refractories, chains and grinding media is amortised over a period of six to twelve months to match the estimated period of their economic usefulness.

(x) Segment information

The Group's operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices. Revenues are attributable to geographic areas based on the location of the assets producing the revenues.

(xi) Financial instruments

Financial instruments carried on the consolidated statement of financial position include cash and bank balances including advances/overdrafts, accounts receivables, accounts payables, and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

(xii) Leases

Operating leases

Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of income on a straight-line basis over the period of the lease.

Finance leases

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased assets or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income. Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

2. Significant accounting policies (continued)

(xiii) Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax

A deferred tax charge is provided, using the liability method, on all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, to the extent that it is probable that future taxable profit will be available against which these deductible temporary differences and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

(xiv) Pension plans and post-retirement medical benefits

Defined benefit pension plans are generally funded by payments from employees and by the relevant Group companies, taking into account of the rules of the pension plans and the recommendations of independent professional actuaries.

For defined benefit plans, the pension accounting costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is calculated based on the advice of independent actuaries who also carry out a full funding valuation of the plans every three years. The pension obligation is measured at the present value of the estimated future cash outflows using interest rates of long term government securities.

Defined contribution plans are accounted for on the accrual basis, as the Group's liabilities are limited to its contributions.

Certain subsidiaries also provide post-retirement healthcare benefits to their retirees. The expected costs of these benefits are measured and recognised in a manner similar to that for defined benefit plans. Valuation of these obligations is carried out by independent professional actuaries using an accounting methodology similar to that for the defined benefit pension plans.

Past service costs are recognised in profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'personnel remuneration and benefits' in the consolidated statement of income:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income

(xv) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, taking into account discounts, rebates and sales taxes. The following specific recognition criteria must be met before revenue is recognised:

Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Interest and investment income

Interest and investment income are recognised as they accrue unless collectability is in doubt.

(xvi) Trade and other receivables

Trade and other receivables are carried at anticipated realisable value. Provision is made for specific doubtful receivables based on a review of all outstanding amounts at the year-end.

2. Significant accounting policies (continued)

(xvii) Trade and other payables

Liabilities for trade and other payables, which are normally settled on 30-90 day terms are carried at cost, which represents the consideration to be paid in the future for goods and services received whether or not billed to the Group.

(xviii) Interest bearing loans and borrowings

Borrowings are initially recognised at the fair value of the consideration received less directly attributable costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit or loss.

(xix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(xx) Provisions

Provisions are recorded when the Group has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

(xxi) Earnings/(loss) per share

Earnings/(loss) per share is computed by dividing net profit or loss attributable to the shareholders of the Parent for the year by the weighted average number of ordinary shares in issue during the year. Diluted earnings or loss per share is computed by adjusting the weighted average number of ordinary shares in issue for the assumed conversion of potential dilutive ordinary shares into issued ordinary shares. The Group has no dilutive potential ordinary shares in issue.

(xxii) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents include all cash and bank balances and overdraft balances with maturities of less than three months from the date of establishment.

(xxiii) Equity compensation benefits

The Group accounts for profit sharing entitlements which are settled in the shares of the Parent Company through an Employee Share Ownership Plan (ESOP) as an expense determined at market value. The cost incurred in administering the Plan is recorded in the statement of income of the Parent Company. The cost of the unallocated shares of the Parent Company, which are treated as treasury shares, is recognised as a separate component within equity.

(xxiv) Equity movements

Stated capital

Ordinary stated capital is classified within equity and is recognised at the fair value of the consideration received by the Company. As equity is repurchased, the amount of consideration paid is recognised as a charge to equity and reported in the consolidated statement of financial position as treasury shares.

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Group's Board of Directors. Interim dividends are deducted from equity when they are paid. Dividends for the year that are approved after the statement of financial position date are dealt with as an event after the end of reporting date.

Treasury shares

Own equity instruments which are re-acquired ("treasury shares") are deducted from equity. No gain or loss is recognised in the consolidated statement of income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration is recognised in other reserves. Such treasury shares are presented separately within equity and are stated at cost.

2. Significant accounting policies (continued)

(xxv) Impairment of assets

Non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to dispose and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses are separately disclosed in the consolidated statement of income.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment been recognised for the asset in prior years. Impairment losses recognised in relation to goodwill are not reversed for subsequent increases in its recoverable amount.

Financial assets

The carrying value of all financial assets not carried at fair value through the consolidated statement of income is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable. The identification of impairment and the determination of recoverable amounts is an inherently uncertain process involving various assumptions and factors, including the financial condition of the counterparty, expected future cash flows, observable market prices and expected net selling prices.

(xxvi) Fair value measurement

The Group does not measure any assets or liabilities at fair value in its consolidated statement of financial position. The fair values of financial instruments measured at amortised cost are disclosed in Note 21. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

(xxvii) Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

2. Significant accounting policies (continued)

(xxvii) Non-current assets held for sale and discontinued operations (continued)

Assets and liabilities classified as held for discontinuation are presented separately as current items in the consolidated statement of financial position. Discontinued operations are excluded from the results of the continuing operations and presented as a single amount as profit or loss after tax from continuing operations in the consolidated statement of income.

In the consolidated statement of income of the reporting period, and of the comparable period of the previous year, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations, down to the level of profit after taxes, even when the Group retains a non-controlling interest in the subsidiary after the sale. The resulting profit or loss (after taxes) is reported separately in the consolidated statement of income.

3. Operating profit – continuing operations

	Notes	2015 $	2014 $
Revenue	25	2,115,446	2,103,074
Less expenses:			
Personnel remuneration and benefits (see below)		479,760	475,604
Fuel and electricity		310,301	405,909
Operating expenses		237,053	249,555
Raw materials and consumables		191,704	234,109
Equipment hire and haulage		136,331	140,263
Repairs and maintenance		128,544	113,272
Changes in finished goods and work in progress		49,378	85,921
Other income (see below)		(6,104)	(9,404)
Earnings before interest, tax, depreciation, impairment, loss on disposal of property, plant and equipment and manpower restructuring costs		588,479	407,845
Manpower restructuring costs (see below)		(31,099)	–
Depreciation	8	(110,796)	(131,113)
Impairment charges and write-offs (see below)		–	(155,937)
Loss on disposal of property, plant and equipment		(164)	(3,963)
Operating profit		446,420	116,832
Impairment charges and write-offs			
Property, plant and equipment (ACCL)	8	–	152,816
Work in progress (Haiti)	8	–	3,121
		–	155,937

Manpower restructuring costs mainly comprise severance costs incurred during implementation of restructuring programmes at two of the subsidiaries of the Group in 2015. The objective of the restructuring programs are to improve cost efficiency.

In accordance with IAS 36: "*Impairment of assets*", management performed an impairment test on Property, Plant and Equipment (PPE) of the Barbados subsidiary (ACCL) and recorded an impairment provision of $152.8 million in 2014. Another impairment test was performed as at 31 December 2015 and no further impairment or reversal was recorded in 2015. The recoverable amount of $163.7 million as at 31 December 2015 was based on value in use and was determined at the level of the PPE and related assets. The pre-tax discount rate used in the impairment test was 17.2%. The terminal growth rate applied was 1.5% per annum.

In 2014, the Board of Directors took the decision to dissolve TCL Haiti Inc. SA (THI) and write-off work in progress costs of $3.1 million.

3. Operating profit – continuing operations (continued)

	Notes	2015 $	2014 $
Personnel remuneration and benefits include:			
Salaries and wages		384,853	387,563
Other benefits		46,024	41,810
Statutory contributions		20,688	21,164
Pension costs – defined contribution plan		3,907	3,695
Termination benefits		451	493
Net pension expense – defined benefit plans	9 (a)	23,837	20,879
		479,760	475,604
Operating profit is stated after deducting directors' fees of:			
Directors' fees		1,801	2,429
Other income includes:			
Delivery and trucking services		(2,643)	(4,206)
Miscellaneous income		(3,461)	(5,198)
		(6,104)	(9,404)

4. Related party disclosures

The TCL Group has entered into related party transactions with respect to the purchase and sale of product with CEMEX S.A.B. de C.V. ("CEMEX"), a company incorporated in Mexico. In addition, during 2015, the Company has entered into a management agreement with a subsidiary of CEMEX to provide managerial and technical support to the TCL Group.

The following table provides the total amount of transactions and balances at year end that have been entered into with the CEMEX Group for the relevant financial year:

	2015 $	2014 $
Sales for the year	13,526	2,343
Purchases for the year	36,159	19,487
Management fee expenses	15,306	–
Trade receivables at year end	1,466	715
Trade payables at year end	1,453	5,647

These related party transactions are made on terms equivalent to those that prevail in arm's length transactions. Outstanding trade receivables and trade payable balances are unsecured and interest free and no provision has been established at year end for these balances.

Key management compensation of the Group

	2015 $	2014 $
Short-term employment benefits	37,376	39,245
Pension plan and post-retirement benefits	701	961

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

5. Finance costs and refinancing gains

	2015 $	2014 $
(a) Finance costs		
Interest expense on borrowings	140,682	210,991
Other finance costs	10,826	–
Bank and related charges	889	264
Interest income	(602)	(123)
	151,795	211,132
Foreign currency exchange loss	12,835	2,419
	164,630	213,551
(b) Debt refinancing gains		
Net refinancing gains	205,819	–

In March 2015 the TCL Group negotiated new terms under the Override Agreement with Lenders with the restructured debt agreements coming into effect as at March 30, 2015. The main elements of the new terms included, a reduction of the interest rate on the outstanding debt by 2%, forgiveness of the default moratorium interest from September 30, 2014 (2%) and the ability to prepay originally secured and unsecured debt on a discounted basis within 90 days of the effectiveness of the restructuring.

In March 2015 the Group recorded net discounts of $6.4 million comprising forgiveness of interest of $27.8 million net of costs and loan balance adjustments of $21.4 million. In May 2015 the TCL Group prepaid the Override debt in full net of prepayment discount of $199.4 million with the proceeds of a successful Rights Issue process, proceeds from short term borrowings and internal cash.

6. Taxation

	2015 $	2014 $
(a) Taxation charge		
Deferred taxation (Note 6 (c))	14,938	79,361
Current taxation	43,776	29,185
	58,714	108,546
Taxation on continuing operations	58,714	108,584
Taxation on discontinued operations	–	(38)
	58,714	108,546
(b) Reconciliation of applicable tax charge/(credit) to effective tax charge		
Profit/(loss) before taxation from continuing operations	487,609	(96,719)
Loss before tax from a discontinued operation	(115)	(5,754)
Profit/(loss) before taxation	487,494	(102,473)
Tax charge/(credit) calculated at 25%	121,874	(25,618)
Net effect of other charges and disallowances	(3,463)	61,434
Movement in deferred tax income assets not recognised	(10,057)	73,560
Impact of income not subject to tax	(50,046)	(28,234)
Business and green fund levies	3,055	2,884
Effect of different tax rates outside Trinidad and Tobago	(2,649)	24,520
Taxation charge reported in the consolidated statement of income	58,714	108,546

6. Taxation (continued)

(b) Reconciliation of applicable tax charge/(credit) to effective tax charge (continued)

As at 31 December 2015, a deferred tax asset of $ 146.8 million (2014: $156.9 million) in relation to tax losses and capital allowances available for reducing future tax payments was not recognised in the consolidated statement of financial position given a level of uncertainty regarding their utilisation within a reasonable time.

Trinidad Cement Limited has tax losses of $1,200 million (2014: $1,066 million) available for set off against future taxable profits.

Caribbean Cement Company Limited and its subsidiaries have tax losses of $186.6 million (2014: $295.8 million) available for set off against future taxable profits.

These losses are subject to agreement with the respective tax authorities.

(c) Movement in deferred tax net balance:

	2015 $	2014 $
Net balance at 1 January	31,568	94,748
Exchange rate and other adjustments	(18)	(734)
Charge to earnings	(14,938)	(79,361)
Credit to other comprehensive income	21,752	16,915
Net balance at 31 December (Note 6 (d))	38,364	31,568

(d) Components of the deferred tax assets/(liabilities)are as follows:

Deferred tax assets:		
Tax losses carry forward	297,366	269,244
Interest accrual	3,758	61,246
Pension plan liabilities	8,005	–
Others	24,699	17,281
Balance at 31 December	333,828	347,771
Deferred tax liabilities:		
Property, plant and equipment	(291,953)	(299,185)
Pension plan assets	–	(13,268)
Others	(3,511)	(3,750)
Balance at 31 December	(295,464)	(316,203)
Net deferred tax assets	38,364	31,568

7. Earnings/(loss) per share

	2015 $	2014 $
The following reflects the income and share data used in the earnings per share computation:		
Net profit/loss for the year attributable to equity holders of the Parent - continuing operations	405,158	(211,959)
Net loss for the year attributable to equity holders of the Parent - discontinued operations	(50)	(2,435)
Net profit/(loss) for the year attributable to equity holders of the Parent	405,108	(214,394)
Weighted average number of ordinary shares issued (net of treasury shares) (thousands of units)	339,675	246,013
The following reflects the income and share data used in the earnings per share computation:		
Basic earnings/(loss) per share - continuing operations (expressed in $ per share)	$1.19	($0.86)
Basic loss per share - discontinued operations (expressed in $ per share)	–	($0.01)
Basic and diluted earnings/(loss) per share - Total company (expressed in $ per share)	$1.19	($0.87)

The balance of the TCL Employee Share Ownership Plan relating to the cost of unallocated shares held by the Plan is presented as a separate component in equity. The weighted average number of unallocated shares of 3.752 million (2014: 3.752 million) held by the Plan during the year is deducted in computing the weighted average number of ordinary shares in issue. The Group has no dilutive potential ordinary shares in issue.

8. Property, plant and equipment

	Land and buildings $	Plant, machinery and equipment and motor vehicles $	Office furniture and equipment $	Capital work in progress $	Total $
At 31 December 2015					
Cost	433,183	3,265,442	103,833	111,704	3,914,162
Accumulated depreciation and impairment	(191,382)	(1,910,156)	(82,697)	(133)	(2,184,368)
Net book amount	241,801	1,355,286	21,136	111,571	1,729,794
Net book amount					
1 January 2015	250,950	1,405,187	20,798	59,095	1,736,030
Exchange rate adjustments	(3,169)	(7,533)	(128)	(1,367)	(12,197)
Additions and transfers	5,612	53,738	4,125	54,042	117,517
Disposals and adjustments	–	(503)	(58)	(199)	(760)
Depreciation charge	(11,592)	(95,603)	(3,601)	–	(110,796)
31 December 2015	241,801	1,355,286	21,136	111,571	1,729,794
At 31 December 2014					
Cost	433,234	3,266,077	103,484	59,227	3,862,022
Accumulated depreciation and impairment	(182,284)	(1,860,890)	(82,686)	(132)	(2,125,992)
Net book amount	250,950	1,405,187	20,798	59,095	1,736,030
Net book amount					
1 January 2014	262,779	1,635,154	20,996	64,182	1,983,111
Exchange rate adjustments	(10,397)	(21,398)	(330)	(2,735)	(34,860)
Additions and transfers	3,509	29,936	2,717	41,565	77,727
Disposals and adjustments	5,852	31,028	886	(40,664)	(2,898)
Depreciation charge	(10,793)	(116,717)	(3,471)	(132)	(131,113)
Impairment charge and write off	–	(152,816)	–	(3,121)	(155,937)
31 December 2014	250,950	1,405,187	20,798	59,095	1,736,030

The net carrying value of assets held under finance leases within property, plant and equipment amounted to nil as at 31 December 2015 (31 December 2014: ($0.5 million)).

In accordance with IAS 36: "*Impairment of assets*", management assessed other Property, Plant and Equipment in Barbados and recorded an impairment provision of $152.8 million in 2014. (Refer to Note 3).

In 2014 the Board of Directors took the decision to dissolve TCL Haiti and write-off capital work in progress of $3.1 million. (Refer to Note 3).

9. Pension plans and other post-retirement benefits

The Trinidad Cement Limited Employees' Pension Fund Plan, a defined benefit plan, is sectionalised for funding purposes into three segments to provide retirement pensions to the retirees of Trinidad Cement Limited ("TCL"), TCL Packaging Limited ("TPL") and Readymix (West Indies) Limited ("RML"). Another pension plan, resident in Barbados, covers the employees of Arawak Cement Company Limited and Premix and Precast Concrete Incorporated. Employees of TCL Ponsa Manufacturing Limited are paid directly by the company, an end of service lump sum payment.

The Parent Company's employees and employees of TPL and RML are members of the TCL Employees' Pension Fund Plan. This is a defined benefit Pension Plan which provides pensions related to employees' length of service and basic earnings at retirement. The Plan's financial funding position is assessed by means of triennial actuarial valuations carried out by an independent professional actuary. The Actuarial Valuation report as at 31 December 2012 revealed that the RXL section was in surplus by $113.6 million but the RML and TPL sections were in deficit by $1.1 million and $4.4 million respectively. The next triennial actuarial valuation is due as at 31 December 2015.

The report recommended service contribution rates for TCL, RML and TPL as a percentage of salaries at 6%, 15.8% and 23.7% respectively.

Employees of Arawak Cement Company Limited are members of a defined benefit pension plan, which became effective in September 1994. The Plan is established under an irrevocable trust and its assets are invested through an independently administered segregated fund policy. The triennial actuarial valuation was last carried out as at January 2013 and showed a funding surplus of $4.3 million. The actuary has recommended that the company contributes at the rate of 1% of members' earnings.

The numbers below are extracted from information supplied by independent actuaries.

Pension plan assets/(liabilities) and other post-retirement obligations:

	2015 $	2014 $
Net pension plan assets	5,390	70,240
Net pension plan liabilities	(32,025)	(13,055)
Net pension plan (liabilities)/assets	(26,325)	57,185
Other post-retirement obligations:		
Retiree's medical benefit obligations	(65,217)	(48,450)
Service benefit obligations	(3,366)	(2,350)
Total other post-retirement obligations	(68,583)	(50,800)

9. Pension plans and other post-retirement benefits (continued)

(a) Changes in the defined benefit obligation and fair value of plan assets

	Defined benefit obligation $	Fair value of plan assets $	Net benefit asset/(liability) $
Balance at 1 January 2015	(945,204)	1,002,389	57,185
Pension cost charged to profit or (loss)			
Current service cost	(27,625)	(2,077)	(29,702)
Past service cost	2,618	–	2,618
Net interest	(47,770)	51,017	3,247
Sub-total included in profit or (loss)	(72,777)	48,940	(23,837)
Re-measurement gains/(losses) in OCI			
Return on plan assets	–	(70,873)	(70,873)
Actuarial changes arising from changes in financial assumptions	–	–	–
Experience adjustments	(1,637)	–	(1,637)
Sub-total included in OCI	(1,637)	(70,873)	(72,510)
Other movements			
Contributions by employee	(7,065)	7,065	–
Contributions by employer	–	12,482	12,482
Benefits paid	35,850	(35,850)	–
Other movements	708	(663)	45
Sub-total – other movements	29,493	(16,966)	12,527
Balance at 31 December 2015	(990,125)	963,490	(26,635)

The Group expects to contribute $15.0 million to its defined benefit plan in 2016.

The weighted average duration of the defined benefit obligations at 31 December 2015 ranges from 14.1 to 20.2 years (2014: 14.1 to 20.2 years).

9. Pension plans and other post-retirement benefits (continued)

(a) Changes in the defined benefit obligation and fair value of plan assets (continued)

	Defined benefit obligation $	Fair value of plan assets $	Net benefit asset/(liability) $
Balance at 1 January 2014	(857,002)	984,208	127,206
Pension cost charged to profit or (loss)			
Current service cost	(25,447)	(1,920)	(27,367)
Net interest	(43,631)	50,119	6,488
Sub-total included in profit or (loss)	(69,078)	48,199	(20,879)
Re-measurement gains/(losses) in OCI			
Return on plan assets	–	(14,620)	(14,620)
Actuarial changes arising from changes in financial assumptions	–	(1,729)	(1,729)
Experience adjustments	(42,644)	–	(42,644)
Sub-total included in OCI	(42,644)	(16,349)	(58,993)
Other movements			
Contributions by employee	(7,592)	7,592	–
Contributions by employer	–	10,969	10,969
Benefits paid	31,119	(31,119)	–
Other movements	(7)	(1,111)	(1,118)
Sub-total – other movements	23,520	(13,669)	9,851
Balance at 31 December 2014	(945,204)	1,002,389	57,185

(b) Changes in the other post-retirement benefits

	2015 $	2014 $
Balance at 1 January	(50,800)	(41,738)
Pension cost charged to profit or (loss)		
Current service cost	(2,042)	(1,845)
Net interest	(2,493)	(2,051)
Sub-total included in profit or (loss)	(4,535)	(3,896)
Re-measurement (losses)/gains in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	–	–
Experience adjustments	(15,175)	(6,617)
Sub-total included in OCI	(15,175)	(6,617)
Other movements		
Benefits paid	1,927	1,451
Sub-total – other movements	1,927	1,451
Balance at 31 December	(68,583)	(50,800)

9. Pension plans and other post-retirement benefits (continued)

(c) The major categories of plan assets of the fair value of the total plan assets are as follows:

	2015	2014
Cash and cash equivalents	5%	6%
Equities	42%	41%
Bonds	51%	51%
Mortgages	1%	1%
Real estate	0%	1%
Other	1%	0%

Equities are quoted on actively traded markets.

(d) Principal actuarial assumptions used in determining pension plans and other post-retirement benefits for the Group:

Pension plans

The actual return on plan assets for 2015 amounted to $35,499 (2013: $103,840).

	2015	2014
Discount rate at 31 December:		
Trinidad Cement Limited Employees' Pension Fund Plan	5.00%	5.00%
Arawak Cement Company Limited Pension Fund Plan	7.75%	7.75%
Future salary increases:		
Trinidad Cement Limited Employees' Pension Fund Plan	5.00%	5.00%
Arawak Cement Company Limited Pension Fund Plan	6.75%	6.75%
Post-retirement mortality for pensioners at 60: Male	21.0	21.0
Female	25.1	25.1

A quantitative sensitivity analysis for significant assumptions as at 31 December 2015 is as shown below:

Assumptions	Discount rate		Future salary increases		Life expectancy of pensioners
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	increase by 1 year
Impact on the defined benefit obligation	(128,219)	156,973	46,563	(42,984)	11,135

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Other post-retirement obligations:

	2015	2014
Discount rate at 31 December	5%	5%
Future medical claims inflation	5%	5%
Post-retirement mortality for pensioners at 60: Male	21.0	21.0
Female	25.1	25.1

9. Pension plans and other post-retirement benefits (continued)

(d) Principal actuarial assumptions used in determining pension plan and other post-retirement benefits for the Group: (continued)

A quantitative sensitivity analysis for significant assumptions as at 31 December 2015 is as shown below:

Assumptions	Discount rate		Future medical claims inflation		Life expectancy
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease	increase by 1 year
Impact on the defined benefit obligation	(8,505)	10,909	10,795	(8,579)	2,248

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The Group expects to contribute $2.0 million to its other post-retirement benefits in 2016.

10. Inventories

	2015 $	2014 $
Plant spares	153,108	153,051
Raw materials and work in progress	155,733	196,908
Consumables	122,177	116,348
Finished goods	49,906	60,125
	480,924	526,432

Inventories are shown as net of obsolescence provision of $13.3 million (2014: $13.9 million) in respect of plant spares and consumables.

11. Receivables and prepayments

	2015 $	2014 $
Trade receivables	173,862	200,438
Less: provision for doubtful debts	(38,379)	(36,616)
Trade receivables (net)	135,483	163,822
Sundry receivables and prepayments	46,259	58,476
Deferred expenditure	6,641	4,182
Taxation recoverable	6,219	6,233
	194,602	232,713
Presented in the consolidated statement of financial position as follows:		
Non-current	4,483	6,049
Current	190,119	226,664
	194,602	232,713

Included within trade receivables are balances due from three (3) customers with agreed repayment terms over one year and therefore $4.5 million (2014: $6.0 million) is presented as a non-current asset.

11. Receivables and prepayments (continued)

	Total $	Neither past due nor impaired $	Past due but not impaired 1-90 days $	91-180 days $	Over 180 days $
2015	135,483	79,786	19,446	12,018	24,233
2014	163,822	86,928	58,659	2,900	15,335

As at 31 December, the impairment provision for trade receivables assessed to be doubtful was $38.4 million (2014: $36.6 million). Movements in the provision for impaired receivables were as follows:

	2015 $	2014 $
At 1 January	36,616	34,449
Charge for the year	7,964	8,653
Unused amounts reversed/written off	(6,201)	(6,486)
At 31 December	38,379	36,616

12. Cash at bank and on hand

Cash at bank earns interest at floating rates based on daily bank deposit rates.

13. Short-term advances

	2015 $	2014 $
Short-term advances	–	14,707

Short-term advances are comprised of an unsecured deposit advanced from a customer for the purchase of product from the TCL Group. This was settled during the financial year via the sale of product to the customer.

14. Payables and accruals

	2015 $	2014 $
Sundry payables and accruals	324,792	312,746
Trade payables	161,798	170,857
Interest and other finance charges	12,133	18,260
Taxation payable	10,277	9,110
Statutory obligations	10,576	8,203
	519,576	519,176
Presented in the consolidated statement of financial position as follows:		
Non-current	–	8,203
Current	519,576	510,973
	519,576	519,176

The Jamaica subsidiary has been granted up to six years to remit withholding taxes to the Jamaican taxation authorities. The outstanding amount of $8.2 million is scheduled to be paid in June 2016 and was therefore classified as a current liability in 2015.

15. Borrowings

	2015 $	2014 $
Maturity of borrowings:		
One year	189,521	1,848,903
Two to five years	976,541	–
Gross borrowings	1,166,062	1,848,903
Current portion of total borrowings	(189,521)	(1,848,903)
Borrowings non-current portion	976,541	–
Type of borrowings:		
Restructured debt	–	1,843,675
Term loans	1,166,062	4,778
Finance lease obligations	–	450
	1,166,062	1,848,903
Currency denomination of borrowings		
US dollar	867,206	679,452
Local currencies	298,856	1,169,451
	1,166,062	1,848,903
Interest rate profile		
Fixed rates	–	1,500,254
Floating rates	1,166,062	348,649
	1,166,062	1,848,903

	2015	2014
The weighted average effective interest rate for borrowings is:	9.60%	11.9%

(a) Debt refinancing

As described in Note 2 (ii), TCL and its subsidiaries have successfully repaid the lenders under the "Override Agreement". On 6 August 2015 TCL negotiated a 5-year loan agreement (the "Amended and Restated Credit Agreement") with the following key terms:

(i) The loan was for an original Principal amount of US$200 million.

(ii) The Principal was disbursed in a combination of USD and TTD currencies and bears interest at a rate of LIBOR + 5.50% (effective 6.25% per annum) on the USD amounts and 3 Month TT Treasury Bill + 5.50% (effective 6.4% per annum) on the TTD amounts, with a floor of 0.75% for LIBOR and the 3 Month TT Treasury Bill.

(iii) Principal and interest payments commenced on 11 November 2015 and are payable quarterly thereafter with the last bullet payment of 30% of the debt due on 11 August, 2020.

(iv) The loan is secured by a charge on the assets of the TCL Group.

(v) Compliance with certain financial covenants for the TCL Group commencing from 30 September 2015 and quarterly thereafter. This includes a consolidated interest coverage ratio (ratio of EBITDA to interest), consolidated total debt leverage ratio (ratio of Total Debt to EBITDA) and consolidated senior debt leverage ratio (ratio of Senior Debt to EBITDA).

15. Borrowings (continued)

(a) Debt refinancing (continued)

(vi) The Group's capital expenditure cannot exceed US$20 million in any calendar year.

(vii) Dividends may be paid by TCL if both before and after the payment of a dividend, Total Debt/EBITDA is less than or equal to 2.75. If Total Debt/EBITDA is greater than 2.75 but less than 3.00 a maximum dividend of US$3 million is permissible in any fiscal year.

At 31 December 2015 the TCL Group was compliant with the terms and covenants of the Amended and Restated Credit Agreement.

(b) Finance leases

Finance leases consist of the obligations for a number of motor vehicles acquired under finance lease agreements with monthly installments over a period of four to five years. The agreements are secured by the related motor vehicles and inherent finance charges.

The minimum lease payments under these finance leases are as follows:

	2015 $	2014 $
Due not more than one year	–	468
Due in years two to five	–	–
Total minimum lease payments	–	468
Less: Finance charges	–	(18)
Total net present value	–	450

16. Stated capital and other reserves

	2015 $	2014 $
(a) Stated capital		
Authorised		
An unlimited number of ordinary and preference shares of no par value	–	–
Issued and fully paid		
374,647,704 (2014: 249,765,136) ordinary shares of no par value	827,732	466,206

On 31 March 2015, the Company issued 124.9 million ordinary shares under a Rights Issue. The net proceeds received from this Rights Issue of ordinary shares was $361.5 million ($364.5 million gross). Transaction costs of $3.0 million were incurred in this transaction and is accounted for net against the proceeds of the rights issue. A reconciliation of the number of shares and dollar amount of issued and paid share capital during the year is presented below:

	Thousands of shares	$'000
At 1 January 2014 and 31 December 2014	249,765	466,206
Issued on 31 March 2015	124,883	361,526
At 31 December 2015	374,648	827,732

16. Stated capital and other reserves (continued)

(a) Stated capital (continued)

On 9 February 2015 a special meeting of shareholders of the Company was convened and a resolution was passed to remove the restriction in the Articles of Continuance which prohibited any person from holding more than 20% of the issued share capital of the Company or more than 20% of the total voting rights of the Company.

(b) Other reserves

	2015 $	2014 $
Year ended 31 December		
Balance at 1 January	(228,187)	(205,704)
Other comprehensive loss:		
Currency translation	(15,298)	(22,483)
Balance at 31 December	(243,485)	(228,187)

Nature and purpose of reserves

Foreign currency translation account

This reserve records exchange differences arising from the translation of the financial statements of foreign subsidiaries.

(c) Other comprehensive income net of tax

The disaggregation of changes of other comprehensive income by type of reserve is shown below:

	Foreign currency translation account $	Retained earnings $	Total $
Year ended 31 December 2015			
Other comprehensive income:			
Currency translation	(15,298)	–	(15,298)
Re-measurement losses on pension plans and other post-retirement benefits	–	(65,020)	(65,020)
	(15,298)	(65,020)	(80,318)
Year ended 31 December 2014			
Other comprehensive income:			
Currency translation	(22,483)	–	(22,483)
Re-measurement gains on pension plans and other post-retirement benefits	–	(47,679)	(47,679)
	(22,483)	(47,679)	(70,162)

17. Dividends

The Parent Company has not declared nor paid any dividends during the year 2015 or in respect of 2014.
In 2014 dividends represents the dividends of subsidiaries in respect of non-controlling interests during the year of $0.62 million.

18. Employee share ownership plan (ESOP)

	2015	2014
	Thousands of shares	
Employee share ownership plan		
Number of shares held - unallocated	3,752	3,752
Number of shares held - allocated	4,216	4,216
	7,968	7,968
	2015	**2014**
	$	**$**
Fair value of shares held - unallocated	14,970	9,380
Fair value of shares held - allocated	16,822	10,540
	31,792	19,920
Cost of unallocated ESOP shares	25,299	25,299
Charge to earnings for provision of shares allocated to employees	400	400

The Parent Company operates an Employee Share Ownership Plan (ESOP) to give effect to a contractual obligation to pay profit sharing bonuses to employees via shares of the Parent Company based on a set formula. Employees may acquire additional company shares to be held in trust by the Trustees but the costs of such purchases are for the employee's account. All permanent employees of the Parent Company and certain subsidiaries are eligible to participate in the Plan that is directed, including the voting of shares, by a Management Committee comprising management of the Parent Company and the general employee membership. Independent Trustees are engaged to hold in trust all shares in the Plan as well as to carry out the necessary administrative functions.

Shares acquired by the ESOP are funded by the Parent Company's contributions. The cost of the shares so acquired and which remain unallocated to employees have been recognised in shareholders' equity under 'Unallocated ESOP Shares'. The fair value of shares was derived from the closing market price prevailing on the Trinidad and Tobago Stock Exchange at the year-end.

19. Capital commitments and contingent liabilities

Capital commitments

The Group has contractual capital commitments of $17.2 million as at December 2015 (2014: $8.4 million).

Contingent liabilities

There are contingent liabilities amounting to $93.3 million (2014: $22.3 million) for various claims, assessments, bank guarantees, and bonds against the Group. Included therein, are several pending legal actions and other claims in which the Group is involved. It is the opinion of the directors, based on the information provided by the Group's attorneys at law, that owing to the uncertainty of the outcome of these possible liabilities no provision has been made in these consolidated financial statements in respect of these matters.

The Board of Inland Revenue has disallowed expenditure claimed by the Parent Company in respect of the following fiscal years:

Fiscal years	Disallowed expenditure
2007	$102.1 million
2008	$284.4 million
2009	$260.6 million

This has been objected to as the Parent Company is of the view that its claim is well supported in law and will defend its position in the resolution process. No provision has been made in the consolidated financial statements in respect of this matter as the possible liability is not considered probable.

19. Capital commitments and contingent liabilities (continued)

The subsidiary in Guyana was given a commitment by the Government of Guyana in 2006 to have the corporate tax rate for non-commercial companies of 30 percent made applicable to its operations. Subsequent action by the Guyana Revenue Authority held that the corporate tax rate for commercial companies of 40 percent was applicable. The subsidiary computes its corporation tax liability on the basis of the original commitment received while it contests through court action the failure to honour the original commitment. No provision has been made in these consolidated financial statements for the higher tax rate as the possible liability is not considered probable. This contingent liability amounts to $19.1 million as at year end (2014: $17.5 million).

20. Cash from operations

	Notes	2015 $	2014 $
Profit/(loss) before taxation from continuing operations		487,609	(96,719)
Loss before taxation from discontinued operations		(115)	(5,754)
Profit/(loss) before taxation		487,494	(102,473)
Adjustments to reconcile (loss)/profit before taxation to net cash generated by operating activities:			
Depreciation	8	110,796	131,113
Net impairment charges and write-offs	3	–	155,937
Interest expense net of interest income	5	164,630	213,551
Debt refinancing gains (net)	5	(205,819)	–
Pension plan expense	9 (a)	23,837	20,879
Other post-retirement benefit expense	9 (b)	4,535	3,896
Loss on disposal of property, plant and equipment	3	164	3,963
		585,637	426,866
Changes in net current assets			
Decrease in inventories		30,801	56,368
Decrease/(increase) in receivables and prepayments		38,111	(53,040)
(Decrease)/increase in payables and accruals		(21,530)	13,638
		633,019	443,832

21. Fair values

The fair values of cash at bank and on hand, receivables, payables and current portion of borrowings approximate their carrying amounts due to the short-term nature of these instruments. The fair values of these instruments and long term borrowings are presented below:

	Carrying amount 2015 $	Fair value 2015 $	Carrying amount 2014 $	Fair value 2014 $
Financial assets:				
Cash at bank	288,500	288,500	96,589	96,589
Trade receivables	135,483	135,483	163,822	163,822
Financial liabilities:				
Short-term advances	–	–	14,707	14,707
Borrowings	1,166,062	1,166,062	1,848,903	1,848,903
Trade payables	161,798	161,798	170,857	170,857
Interest and finance charges	12,133	12,133	18,260	18,260

22. Subsidiary undertakings

The Group's subsidiaries are as follows:

Company	Country of incorporation	Ownership level	
		2015	2014
Readymix (West Indies) Limited	Trinidad and Tobago	71%	71%
TCL Packaging Limited	Trinidad and Tobago	80%	80%
TCL Ponsa Manufacturing Limited	Trinidad and Tobago	65%	65%
TCL Leasing Limited	Trinidad and Tobago	100%	100%
Caribbean Cement Company Limited	Jamaica	74%	74%
Jamaica Gypsum and Quarries Limited	Jamaica	74%	74%
Rockfort Mineral Bath Complex Limited	Jamaica	74%	74%
Caribbean Gypsum Company Limited	Jamaica	74%	74%
Arawak Cement Company Limited	Barbados	100%	100%
Premix & Precast Concrete Incorporated	Barbados	42.6%	42.6%
TCL Trading Limited	Anguilla	100%	100%
TCL Service Limited	Nevis	-	100%
TCL (Nevis) Limited	Nevis	100%	100%
TCL Guyana Inc.	Guyana	80%	80%

TCL Service Limited was liquidated in December 2015.

23. Material partly-owned subsidiaries

The financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity held by non-controlling interests:

Name	Country of incorporation and operation	2015	2014
Caribbean Cement Company Group	Jamaica	26%	26%
Readymix (West Indies) Limited	Trinidad & Tobago	29%	29%
TCL Packaging Limited	Trinidad & Tobago	20%	20%
TCL Ponsa Manufacturing Limited	Trinidad & Tobago	35%	35%
TCL Guyana Inc.	Guyana	20%	20%

	2015 $	2014 $
Accumulated balances of material non-controlling interests:		
Caribbean Cement Company Limited	(62,253)	(80,014)
Readymix (West Indies) Limited	26,976	24,490
TCL Packaging Limited	11,552	12,702
TCL Ponsa Manufacturing Limited	2,890	3,814
TCL Guyana Inc.	8,512	7,558
	(12,323)	(31,450)
Profit/(loss) allocated to material non-controlling interests:		
Caribbean Cement Company Limited	21,458	1,677
Readymix (West Indies) Limited	2,671	127
TCL Packaging Limited	(636)	766
TCL Ponsa Manufacturing Limited	(697)	(13)
TCL Guyana Inc.	876	818
	23,672	3,375

23. Material partly - owned subsidiaries (continued)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

Summarised statement of income for 2015:

	Caribbean Cement Company Limited $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $	TCL Guyana Inc. $
Revenue	841,810	216,807	49,386	14,487	92,919
Operating expenses	(748,204)	(203,081)	(55,077)	(16,678)	(85,803)
Finance costs (net)	(925)	(426)	2,615	199	(390)
Profit/(loss) before tax	92,681	13,300	(3,076)	(1,992)	6,726
Income tax	(9,833)	(3,863)	(106)	–	(2,345)
Total comprehensive income	64,532	8,801	(5,746)	(2,640)	4,771
Attributable to non-controlling interests	17,760	2,486	(1,149)	(924)	954

Summarised statement of income for 2014:

Revenue	827,342	211,439	66,882	17,417	127,037
Operating expenses	(794,516)	(194,895)	(65,272)	(17,443)	(119,447)
Finance costs (net)	(19,609)	(812)	2,359	(11)	(1,312)
Profit/(loss) before tax	13,217	15,732	3,969	(37)	6,278
Income tax	(6,743)	(3,945)	(138)	–	(2,190)
Total comprehensive income	(24,991)	8,745	3,262	(125)	3,644
Attributable to non-controlling interests	(6,177)	(755)	652	(44)	729

Summarised statement of financial position as at 31 December 2015:

Inventories, cash and bank balances and other current assets	294,130	108,600	79,101	15,004	19,374
Property, plant and equipment and other non-current assets	348,806	33,770	(708)	2,110	39,502
Trade and other payables and other current liabilities	(237,176)	(40,258)	(17,769)	(5,490)	(14,366)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(34,674)	(2,540)	(2,859)	(3,366)	(1,949)
Total equity	371,086	99,572	57,765	8,258	42,561
Attributable to:					
Equity holders of parent	433,340	72,596	46,212	5,368	34,049
Non-controlling interests	(62,254)	26,976	11,553	2,890	8,512

23. Material partly - owned subsidiaries (continued)

Summarised statement of financial position as at 31 December 2014:

	Caribbean Cement Company Limited $	Readymix (West Indies) Limited $	TCL Packaging Limited $	TCL Ponsa Manufacturing Limited $	TCL Guyana Inc. $
Inventories, cash and bank balances and other current assets	257,661	83,703	40,838	16,829	25,234
Property, plant and equipment and other non-current assets	277,464	50,590	54,199	2,203	40,826
Trade and other payables and other current liabilities	(213,305)	(33,689)	(18,207)	(5,784)	(26,345)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(48,460)	(9,718)	(13,319)	(2,350)	(1,924)
Total equity	273,360	90,886	63,511	10,898	37,791
Attributable to:					
Equity holders of parent	353,374	95,699	50,809	7,084	30,233
Non-controlling interests	(80,014)	(4,813)	12,702	3,814	7,558
Summarised cash flow information for the year ending 31 December 2015:					
Operating	154,853	60,055	5,777	3,822	(1,221)
Investing	(44,005)	(10,692)	(2,704)	(85)	(732)
Financing	(70,628)	(4,778)	(3,844)	–	–
Net (decrease)/increase in cash and cash equivalents	40,220	44,585	(771)	3,737	(1,953)
Summarised cash flow information for the year ending 31 December 2014:					
Operating	19,807	17,806	(1,239)	221	(209)
Investing	(34,469)	(5,013)	(736)	(33)	(476)
Financing	13,268	(3,837)	(331)	(96)	–
Net (decrease)/increase in cash and cash equivalents	(1,394)	8,956	(2,306)	92	(685)

24. Financial risk management

Introduction

The Group's activities expose it to a variety of financial risks, including the effects of changes in debt prices, interest rates, market liquidity conditions and foreign currency exchange rates which are accentuated by the Group's foreign operations, the earnings of which are denominated in foreign currencies. Accordingly, the Group's financial performance and position are subject to changes in the financial markets. Overall risk management measures are focused on minimising the potential adverse effects on the financial performance of the Group of changes in financial markets.

Risk management structure

The Board of Directors is responsible for the overall risk management approach and for approving the risk strategies, principles and policies and procedures. Day to day adherence to risk principles is carried out by the executive management of the Group in compliance with the policies approved by the Board of Directors.

Credit risk

Credit risk is the risk that a counter-party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risks from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Significant changes in the economy, or in the state of a particular industry segment that represents a concentration in the Group's portfolio, could result in losses that are different from those provided at year end. Management therefore carefully manages its exposure to credit risk.

The Group structures the level of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one customer, or group of customers, and to geographical and industry segments. Such risks are monitored on an ongoing basis and limits on the levels of credit risk that the Group can engage in are approved by the Board of Directors.

Exposure to credit risk is further managed through regular analysis of the ability of debtors and financial institutions to settle outstanding balances, meet capital and interest repayment obligations and by changing these lending limits when appropriate. The Group does not generally hold collateral as security.

The following table shows the maximum exposure to credit risk for the components of the statement of financial position:

	Gross maximum exposure	
	2015	2014
	$	$
Trade receivables	135,483	163,822
Cash at bank	288,500	96,589
Credit risk exposure	423,983	260,411

Credit risk related to receivables

Customer credit risk is managed in accordance with the Group's established policy, procedures and control relating to customer credit risk management. Credit limits are established for all credit customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. At 31 December 2015, the Group had twelve (12) customers (2014: sixteen (16) customers) that owed the Group more than $2 million each and which accounted for 61% (2014: 73%) of all trade receivables.

Credit risk related to cash at bank

Credit risks from balances with banks and financial institutions are managed in accordance with Group policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

24. Financial risk management (continued)

Liquidity risk

The Group monitors its risk to a shortage of funds by considering planned and probable expenditures against projected cash inflows from operations, from the settlement of financial assets such as accounts receivable and levels of cash sales.

The table below summarises the maturity profile of the Group's financial liabilities at 31 December:

	On demand $	1 year $	2 to 5 years $	> 5 years $	Total $
2015					
Borrowings	–	261,050	1,241,228	–	1,502,278
Interest and finance charges	–	12,182	–	–	12,182
Trade payables	–	161,798	–	–	161,798
	–	435,030	1,241,228	–	1,676,258
2014					
Short-term advances	–	14,707	–	–	14,707
Borrowings	1,848,415	488	–	–	1,848,903
Interest and finance charges	18,260	–	–	–	18,260
Trade payables	–	162,681	8,176	–	170,857
	1,866,675	177,876	8,176	–	2,052,727

Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy financial position in order to support its business activities and maximise shareholder value. The Group is required to comply with several financial ratios and other quantitative targets in accordance with loan agreements. The Group is required to achieve Leverage, Debt Service and Net Worth financial ratio targets in accordance with the revised terms of the debt restructuring agreed with lenders. At year end, the Company was in compliance with all terms and conditions of the Amended and Restated Credit Agreeement.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Such exposure arises from sales or purchases by an operating unit in currencies other than the unit's functional currency. Management monitors its exposure to foreign currency fluctuations and employs appropriate strategies to mitigate any potential losses. Risk management in this area is active to the extent that hedging strategies are available and cost effective.

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rates, with all other variables held constant, of profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity:

24. Financial risk management (continued)

Foreign currency risk (continued)

	Increase/decrease in US/Euro rate	Effect on profit before tax $	Effect on equity $
2015			
US dollar	+1%	(7,047)	(5,285)
	–1%	7,047	5,285
Euro	+1%	5	4
	–1%	(5)	(4)
2014			
US dollar	+1%	(6,018)	(4,514)
	–1%	6,018	4,514
Euro	+1%	(53)	(40)
	–1%	53	40

The effect on profit is shown net of US dollar financial assets (2015: $207.0 million; 2014: $132.4 million), and liabilities (2015: $891.3 million; 2014: $734.2 million) and EURO net financial liabilities (2015: $0.5 million; 2014: $5.3 million).

The aggregate value of financial assets and liabilities by reporting currency are as follows:

	TTD $	USD $	JMD $	BDS $	Other $	Total $
2015						
ASSETS						
Cash at bank	99,623	148,806	32,432	1,654	5,985	288,500
Trade receivables	42,019	58,194	27,798	3,266	4,206	135,483
	141,642	207,000	60,230	4,920	10,191	423,983
LIABILITIES						
Borrowings	317,460	848,602	–	–	–	1,166,062
Interest and finance charges	2,822	9,311	–	–	–	12,133
Trade payables	32,083	53,823	46,883	24,769	4,240	161,798
	352,365	911,736	46,883	24,769	4,240	1,339,993
NET (LIABILITIES)/ ASSETS	(210,723)	(704,736)	13,347	(19,849)	5,951	(916,010)
2014						
ASSETS						
Cash at bank	36,932	52,415	(31)	2,784	4,489	96,589
Trade receivables	51,001	79,964	19,317	3,721	9,819	163,822
	87,933	132,379	19,286	6,505	14,308	260,411
LIABILITIES						
Short-term advances	–	14,707	–	–	–	14,707
Borrowings	970,857	679,453	38,507	160,086	–	1,848,903
Interest and finance charges	6,125	10,831	286	1,018	–	18,260
Trade payables	13,099	29,199	63,780	55,690	9,089	170,857
	990,081	734,190	102,573	216,794	9,089	2,052,727
NET (LIABILITIES)/ ASSETS	(902,148)	(601,811)	(83,287)	(210,289)	5,219	(1,792,316)

Other currencies include the Euro.

24. Financial risk management (continued)

Interest rate risk

Interest rate risk for the Group centers on the risk that debt service cash outflow will increase due to changes in market interest rates. At the statement of financial position date, the Group's exposure to changes in interest rates relates primarily to bank loans which have a floating interest rate. The Group's policy is to manage its interest cost using a mix of fixed, variable rate debt and financial derivatives.

The interest rate exposure of borrowings is as follows:

	2015 $	2014 $
At fixed rate	–	1,500,254
At floating rates	1,166,062	348,649

Interest rate risk table

The following table shows the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax:

	Increase/decrease in basis points	Effect on profit before tax $
2015	+100	(11,661)
	–100	11,661
2014	+100	(3,486)
	–100	3,486

25. Financial information by segment

The Group is organised and managed on the basis of the main product lines provided which are cement, concrete and packaging. Management records and monitors the operating results of each of the business units separately for the purpose of making decisions about resource allocations and performance assessment. Transfer pricing between operating segments is on an arm's length basis.

25.1 Operating segment information

2015	Cement $	Concrete $	Packaging $	Consolidation adjustments $	Total $
Total revenue	2,202,494	216,716	62,695	–	2,481,905
Inter-segment revenue	(309,972)	–	(56,487)	–	(366,459)
Third party revenue	1,892,522	216,716	6,208	–	2,115,446
Depreciation	106,561	6,596	1,503	(3,864)	110,796
Profit/(loss) before tax	676,731	13,185	(5,068)	(197,354)	487,494
Segment assets	3,713,276	147,289	96,728	(924,211)	3,033,082
Segment liabilities	2,764,719	43,425	30,704	(756,736)	2,082,112
Capital expenditure	103,962	10,692	2,863	–	117,517
Operating cash flows	446,667	60,055	9,599	(47,061)	469,260
Investing cash flows	(102,539)	(10,692)	(2,789)	(1,192)	(117,212)
Financing cash flows	(157,961)	(4,778)	28,250	(25,503)	(159,992)
Net increase in cash and cash equivalents	185,937	3,585	2,965	(431)	192,056

Third party revenue as presented above consists of revenue from continuing operations of $2,115,446 (2014: $2,103,074). In 2014 third party revenue from discontinued operations as disclosed in Note 26 amounted $1,739.

25. Financial information by segment (continued)

25.1 Operating segment information (continued)

2014	Cement $	Concrete $	Packaging $	Consolidation adjustments $	Total $
Total revenue	2,230,020	210,900	83,521	–	2,524,441
Inter-segment revenue	(343,077)	–	(76,551)	–	(419,628)
Third party revenue	1,886,943	210,900	6,970	–	2,104,813
Depreciation and impairment	284,092	5,579	1,279	(3,900)	287,050
Profit/(loss) before tax	79,029	15,732	3,932	(201,166)	(102,473)
Segment assets	3,342,154	132,175	103,934	(568,262)	3,010,001
Segment liabilities	3,238,704	36,997	29,525	(540,752)	2,764,474
Capital expenditure	71,926	5,032	769	–	77,727
Operating cash flows	159,302	17,806	(1,018)	34,505	210,595
Investing cash flows	(71,697)	(5,013)	(769)	(158)	(77,637)
Financing cash flows	(54,181)	(3,837)	(427)	(34,518)	(92,963)
Net increase in cash and cash equivalents	33,424	8,956	(2,214)	(171)	39,995

25.2 Geographical segment information

	Revenue 2015 $	Revenue 2014 $	Non-current assets 2015 $	Non-current assets 2014 $	Additions property plant and equipment 2015 $	Additions property plant and equipment 2014 $
Trinidad and Tobago	878,550	847,357	1,257,353	1,257,568	62,488	37,253
Jamaica	679,194	717,002	328,601	340,550	44,235	34,469
Barbados	93,059	171,002	108,726	103,493	9,172	5,515
Other countries	464,643	369,452	39,597	40,468	1,622	490
Group total	2,115,446	2,104,813	1,734,277	1,742,079	117,517	77,727

The revenue information above represents third party revenue based on the location of the customers' operations. Other countries include Guyana, Venezuela, the OECS islands and Brazil.

Non-current assets comprise property, plant and equipment and receivables.

26. Net liabilities classified as held for sale

The Board of Directors suspended operations of Premix & Precast Concrete Incorporated ("PPCI"), located in Barbados effective 30 September 2014 due to a major decline in the demand for concrete on the island.

As at 31 December 2015, PPCI was classified as a disposal group held for sale and as a discontinued operation. The results of PPCI for the years ended 31 December 2015 and 2014 are presented below:

	2015 $	2014 $
Sales revenue	–	1,739
Operating loss	(115)	(5,738)
Finance costs – net	–	(16)
Loss before taxation	(115)	(5,754)
Taxation	–	38
Net loss for the year	(115)	(5,716)

The major classes of assets and liabilities of PPCI classified as held for sale as at 31 December 2015 and 2014 are as follows:

	2015 $	2014 $
Assets		
Receivables and prepayments	44	41
Cash and cash equivalents	–	185
Assets associated with discontinued operation	44	226
Liabilities		
Payables and accruals	402	1,630
Liabilities associated with discontinued operation	402	1,630
Net liabilities directly associated with discontinued operation	(358)	(1,404)

The net cash flows incurred by PPCI for the year ended 31 December 2015 and 2014 are as follows:

	2015 $	2014 $
Operating	–	31
Investing	–	19
Net cash inflow	–	50

APPENDIX B

Summary Consolidated Interim Financial Report for the Nine Months ended September 30, 2016

TRINIDAD CEMENT LIMITED

SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

SUMMARY CONSOLIDATED STATEMENT OF INCOME

TT$'000	UNAUDITED Three Months July to Sept		UNAUDITED Nine Months Jan to Sept		AUDITED Year Jan to Dec
	2016	2015	2016	2015	2015
CONTINUING OPERATIONS					
REVENUE	**449,978**	**550,136**	**1,436,207**	**1,637,878**	**2,115,446**
Earnings before interest, tax, depreciation, loss on disposal of property, plant and equipment and restructuring costs	**81,739**	**158,038**	**394,252**	**477,637**	**588,479**
Depreciation	(30,315)	(29,458)	(89,890)	(84,683)	(110,796)
Loss on disposal of property, plant and equipment	730	16	750	16	(164)
Stockholding and inventory restructuring costs (Note 5)	(175)	–	(73,065)	–	–
Manpower restructuring costs (Note 6)	(4,865)	–	(27,097)	–	(31,099)
Operating profit	47,114	128,596	204,950	392,970	446,420
Net debt restructuring gain	–	8,725	-	205,819	205,819
Net finance costs	(33,491)	(34,759)	(107,048)	(127,453)	(164,630)
Profit before taxation from continuing operations	**13,623**	**102,562**	**97,902**	**471,336**	**487,609**
Taxation charge	(1,983)	(18,556)	(40,999)	(51,970)	(58,714)
Profit for the year from continuing operations	**11,640**	**84,006**	**56,903**	**419,366**	**428,895**
DISCONTINUED OPERATIONS					
Loss after taxation from discontinued operations	–	–	–	(116)	(115)
Profit for the year	**11,640**	**84,006**	**56,903**	**419,250**	**428,780**
Attributable to:					
Shareholders of the Parent	12,240	73,502	43,677	394,531	405,108
Non-controlling interests	(600)	10,504	13,226	24,719	23,672
	11,640	**84,006**	**56,903**	**419,250**	**428,780**
Basic and diluted earnings per share – cents:					
From continuing operations	**3.3**	**15.5**	**11.8**	**118.6**	**119.0**
From discontinued operations	–	–	–	–	–
	3.3	**15.5**	**11.8**	**118.6**	**119.0**

DIRECTORS' STATEMENT

Against the backdrop of challenging markets and significant maintenance by the Group, the Group's overall revenue for the third quarter of $449.9 million represents a decrease of 18% compared to the same quarter last year. Our Net Income after tax also decreased this quarter, from $84.0 million in Q3 2015 to $11.6 million this year bringing our Earnings per Share (EPS) for the quarter to 3.3 cents.

The revenue decline has been largely caused by the precipitous fall in construction activity in Trinidad and Tobago where the Group has faced a decline in sales across all business segments. Weak demand also impacted some of the countries in our Caribbean market, but was offset by the positive performance in Jamaica despite the discontinuation of clinker exports to Venezuela.

Operationally, the Group incurred Capital expenditure and maintenance costs of $44.6 million on our plants to conduct much needed overhauls during the quarter. The Group undertook extensive work on our plants in Jamaica and Trinidad and Tobago which resulted in scheduled plant maintenance shutdowns of eight weeks in Jamaica and seven weeks in Trinidad with a direct impact on our adjusted EBITDA and Net Income in the quarter. In addition to the focus on our physical plant to generate more efficiencies, the Group also continued other restructuring efforts aimed at enhancing our overall competitiveness. As a result, the quarter's results have been impacted by severance costs of $4.8 million.

The net cash generated by operating activities increased 32% this quarter from $83.3 million in 2015 to $110 million; the result primarily of targeted focus on working capital management. On the balance sheet, the Group continues to improve its liquidity position with $313.9 million cash on hand and an overall reduction in total debt at the end of third quarter 2016 by $145.8 million when compared to the same period in 2015.

Outlook

We expect that construction activity will remain challenging for the Group particularly in Trinidad and Tobago and Barbados; in addition, we are seeing increasingly aggressive competition in the region. Notwithstanding, the Board of Directors continues to focus on three key elements to reinforce the position of the company: firstly, on implementing health and safety initiatives in all our plants to create a better work environment for our people; secondly, to seek out and to develop new markets for all our products and finally, to relentlessly focus on the comprehensive operational and restructuring programme in each plant to be internationally competitive to preserve all our markets while creating new opportunities.

Wilfred Espinet
Group Chairman
October 27, 2016

Nigel Edwards
Director
October 27, 2016

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

TT$'000	UNAUDITED Three Months July to Sept		UNAUDITED Nine Months Jan to Sept		AUDITED Year Jan to Dec
	2016	2015	2016	2015	2015
Profit for the year	**11,640**	**84,006**	**56,903**	**419,250**	**428,780**
Other comprehensive income					
Other comprehensive loss to be reclassified to profit and loss in subsequent periods:					
Exchange differences on translation of foreign operations	(1,550)	(6,661)	(11,747)	(17,690)	(18,930)
Net other comprehensive loss to be reclassified to profit and loss in subsequent periods	**(1,550)**	**(6,661)**	**(11,747)**	**(17,690)**	**(18,930)**
Other comprehensive loss not to be reclassified to profit and loss in subsequent periods:					
Remeasurement losses on defined benefit plans	–	–	–	–	(87,685)
Income tax effect	–	–	–	–	21,752
Net other comprehensive loss not to be reclassified to profit and loss in subsequent periods:	**–**	**–**	**–**	**–**	**(65,933)**
Other comprehensive loss for the year, net of tax	**(1,550)**	**(6,661)**	**(11,747)**	**(17,690)**	**(84,863)**
Total comprehensive income for the year, net of tax	**10,090**	**77,345**	**45,156**	**401,560**	**343,917**
Attributable to:					
Shareholders of the Parent	11,419	68,574	34,542	380,568	324,790
Non-controlling interests	(1,329)	8,771	10,614	20,992	19,127
	10,090	**77,345**	**45,156**	**401,560**	**343,917**

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

TT$'000	UNAUDITED 30.09.2016	UNAUDITED 30.09.2015	AUDITED 31.12.2015
ASSETS			
Non-current assets			
Property, plant and equipment	1,744,290	1,674,402	1,729,794
Pension plan assets	3,916	60,405	5,390
Receivables and prepayments	7,662	6,956	4,483
Deferred tax assets	343,969	327,891	333,828
	2,099,837	2,069,654	2,073,495
Current Assets			
Inventories	349,478	451,552	480,924
Receivables and prepayments	178,648	224,575	190,119
Cash at bank and on hand	313,906	301,910	288,500
	842,032	978,037	959,543
Assets held for distribution	44	44	44
TOTAL ASSETS	**2,941,913**	**3,047,735**	**3,033,082**
Equity and liabilities			
Share Capital	827,732	827,732	827,732
Unallocated ESOP shares	(25,299)	(25,299)	(25,299)
Other reserves	(252,620)	(242,154)	(243,485)
Retained earnings	433,036	458,792	404,345
Equity attributable to the Parent	**982,849**	**1,019,071**	**963,293**
Non-controlling interests	(2,080)	(10,458)	(12,323)
TOTAL EQUITY	**980,769**	**1,008,613**	**950,970**
Non-current liabilities			
Long-term portion of borrowings	881,683	1,027,496	976,541
Pension plan liabilities	46,598	–	32,025
Other post-retirement benefits	70,180	67,935	68,583
Deferred tax liabilities	300,706	307,087	295,464
Payables and accruals	–	3,200	–
	1,299,167	1,405,718	1,372,613
Current liabilities			
Payables and accruals	465,718	463,329	519,576
Current portion of borrowings	195,857	169,673	189,521
	661,575	633,002	709,097
Liabilities directly associated with assets held for distribution	402	402	402
TOTAL EQUITY AND LIABILITIES	**2,941,913**	**3,047,735**	**3,033,082**

TRINIDAD CEMENT LIMITED

SUMMARY CONSOLIDATED INTERIM FINANCIAL REPORT

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

TT$'000	UNAUDITED Three Months July to Sept		UNAUDITED Nine Months Jan to Sept		AUDITED Year Jan to Dec
	2016	2015	2016	2015	2015
Profit before taxation from continuing operations	**13,623**	**102,562**	**97,902**	**471,336**	**487,609**
Loss before taxation from discontinued operations	–	–	–	(116)	(115)
Profit before taxation	**13,623**	**102,562**	**97,902**	**471,220**	**487,494**
Adjustments to reconcile profit before taxation to net cash generated by operating activities:					
Depreciation	30,315	29,458	89,890	84,683	110,796
Interest expense net of interest income	33,491	34,759	107,048	127,453	164,630
Pension & post-retirement	11,011	12,174	22,749	32,408	28,372
Loss/(gain) on disposal of property, plant and equipment	730	(16)	750	(16)	164
Net debt restructuring gain	–	(8,725)	–	(205,819)	(205,819)
	89,170	170,212	318,339	509,929	585,637
Changes in net current assets					
Decrease in inventories	71,031	19,176	131,448	68,886	30,801
(Increase)/decrease in receivables and prepayments	(32,502)	(27,675)	(53,455)	(821)	38,111
Increase/(decrease) in payables and accruals	16,976	(29,774)	19,509	(76,702)	(21,530)
	144,675	131,939	415,841	501,292	633,019
Net interest, taxation and pension contributions paid					
Pension contributions paid	(1,661)	(6,995)	(8,254)	(19,798)	(12,482)
Post-retirement benefits paid	(903)	–	(4,514)	–	(1,927)
Taxation paid	(10,770)	(10,478)	(51,562)	(30,701)	(33,687)
Net interest paid	(21,284)	(31,198)	(65,880)	(96,165)	(115,663)
Net cash generated by operating activities	**110,057**	**83,268**	**285,631**	**354,628**	**469,260**
Net cash used in investing activities					
Additions to property, plant and equipment	(44,629)	(12,883)	(100,085)	(36,927)	(117,517)
Proceeds from disposal of property, plant and equipment	–	–	–	–	305
Net cash used in investing activities	**(44,629)**	**(12,883)**	**(100,085)**	**(36,927)**	**(117,212)**
Net cash used in financing activities					
Proceeds from long-term borrowings	–	–	–	1,188,830	1,188,830
Proceeds from short-term borrowings	–	–	–	–	–
Proceeds from issuance of new shares	–	–	–	364,552	364,552
Transaction costs incurred on issuance of new shares	–	–	–	(3,026)	(3,026)
Repayment of borrowings	(48,346)	(298,002)	(144,772)	(1,662,259)	(1,709,364)
Dividends paid to equity holders of the parent	–	–	(14,986)	–	–
Dividends paid to non-controlling interests	(371)	–	(371)	–	(984)
Net cash used in financing activities	**(48,717)**	**(298,002)**	**(160,129)**	**(111,903)**	**(159,992)**
Increase/(decrease) in cash and cash equivalents	16,711	(227,617)	25,417	205,798	192,056
Currency adjustment – opening balance	(81)	(165)	(11)	(477)	(145)
Net cash – beginning of year	297,276	529,692	288,500	96,589	96,589
Net cash – end of year	**313,906**	**301,910**	**313,906**	**301,910**	**288,500**

SEGMENT INFORMATION

TT$'000	CEMENT	CONCRETE	PACKAGING	CONSOLIDATION ADJUSTMENTS	TOTAL
UNAUDITED NINE MONTHS JANUARY TO SEPTEMBER 2016					
Revenue					
Total	1,537,483	107,072	59,076	–	1,703,631
Intersegment	(220,884)	(528)	(46,012)	–	(267,424)
Third party	1,316,599	106,544	13,064	–	1,436,207
Profit/(loss) before tax	114,152	(201)	1,469	(17,518)	97,902
Depreciation and impairment	85,539	4,667	1,428	(1,744)	89,890
Segment assets	3,207,004	136,866	91,457	(493,414)	2,941,913
Segment liabilities	2,577,201	41,718	27,745	(685,520)	1,961,144
Capital expenditure	93,739	5,565	781	–	100,085
UNAUDITED NINE MONTHS JANUARY TO SEPTEMBER 2015					
Revenue					
Total	1,721,768	174,105	47,428	–	1,943,301
Intersegment	(264,192)	–	(41,231)	–	(305,423)
Third party	1,457,576	174,105	6,197	–	1,637,878
Profit/(loss) before tax	453,311	19,286	(3,836)	2,459	471,220
Depreciation and impairment	81,358	3,917	1,051	(1,643)	84,683
Segment assets	3,755,099	156,055	101,523	(964,942)	3,047,735
Segment liabilities	2,729,738	51,351	30,157	(772,124)	2,039,122
Capital expenditure	29,743	5,219	1,965	–	36,927
AUDITED YEAR JANUARY TO DECEMBER 2015					
Revenue					
Total	2,202,494	216,716	62,695	–	2,481,905
Intersegment	(309,972)	–	(56,487)	–	(366,459)
Third party	1,892,522	216,716	6,208	–	2,115,446
Profit/(loss) before tax	676,731	13,185	(5,068)	(197,354)	487,494
Depreciation and impairment	106,561	6,596	1,503	(3,864)	110,796
Segment assets	3,713,276	147,289	96,728	(924,211)	3,033,082
Segment liabilities	2,764,719	43,425	30,704	(756,736)	2,082,112
Capital expenditure	103,962	10,692	2,863	–	117,517

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

TT$'000	PARENT UNAUDITED Jan to Sept		PARENT AUDITED Jan to Dec	NON-CONTROLLING INTERESTS UNAUDITED Jan to Sept		NON-CONTROLLING INTERESTS RESTATED Jan to Sept	NON-CONTROLLING INTERESTS AUDITED Jan to Dec
	2016	2015	2015	2016		2015	2015
Balance at beginning of period	**963,293**	**276,977**	**276,977**	**(12,323)**		**(31,450)**	**(31,450)**
Other comprehensive loss	(9,135)	(13,963)	(80,318)	(2,612)		(3,727)	(4,545)
Profit after taxation	43,677	394,531	405,108	13,226		24,719	23,672
Total comprehensive income	34,542	380,568	324,790	10,614		20,992	19,127
Dividends	(14,986)	–	–	(371)		–	–
Rights issue proceeds	–	361,526	361,526	–		–	–
Balance at end of period	**982,849**	**1,019,071**	**963,293**	**(2,080)**		**(10,458)**	**(12,323)**

NOTES:

1. **Basis of Preparation**
   These summary consolidated financial statements are prepared in accordance with established criteria developed by management and disclose the summary consolidated statement of financial position, summary consolidated statement of income, summary consolidated statement of comprehensive income, summary consolidated statement of changes in equity and summary consolidated statement of cash flows.

2. **Accounting Policies**
   These summary consolidated financial statements have been prepared in accordance with the accounting policies set out in "Note 2" of the December 31, 2015 audited financial statements consistently applied from period to period. The Group has adopted all the new and revised accounting standards that are mandatory for annual accounting periods on or after January 01, 2016 and which are relevant to the Group's operations.

3. **Earnings Per share**
   Earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders of the Parent by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares in issue for the period has been determined by deducting from the total number of issued shares of 374.648 million, the 3.752 million shares that were held as unallocated shares by our ESOP.

4. **Segment Information**
   Management's principal reporting and decision making are by product and accordingly, the segment information is so presented.

5. **Stockholding and Inventory Restructuring Costs**
   A review of inventory quantities on hand was undertaken during Q2 and Q3 2016. In accordance with IAS 2: "Inventories," management has recorded an expense of $73.1 million in respect of overstocked items. This expense has been accounted for as a change in an accounting estimate consistent with IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors" resulting from new developments.

6. **Manpower Restructuring Costs**
   Manpower restructuring costs mainly comprise severance costs incurred during implementation of restructuring programmes. The objective of the restructuring programmes is to improve cost efficiency.

APPENDIX C

Certificate of the TCL Group Finance Manager dated January 5, 2017 regarding the 2015 Financial Statements and the Summary Consolidated Interim Financial Report for the Nine Months ended September 30, 2016

TCL GROUP

ONE CARIBBEAN... ONE COMPANY

Southern Main Road, Claxton Bay, Trinidad, West Indies.
Tel: (868) 659-0787 or 659-2381-8 Fax: (868) 659-0818
Website: www.tclgroup.com

January 5, 2017

To: The Ordinary Stockholders in
TRINIDAD CEMENT LIMITED

I am currently the Group Finance Manager of Trinidad Cement Limited and as the chief finance officer of the company. I hereby certify that:

a) The unaudited financial statements of Trinidad Cement Limited as attached reflect fairly the financial position of the company over the nine month period ending September 30, 2016, and

b) The extracts from the financial statements of the company for the five year period ending December 31, 2015, (in particular the consolidated statement of income) reflect fairly the financial position of the company over the period.

Luis Ali
Group Finance Manager

APPENDIX D

History of Profits of TCL for the previous five (5) years

TRINIDAD CEMENT LIMITED

CONSOLIDATED STATEMENT OF INCOME FOR THE FIVE (5) FINANCIAL YEARS COMMENCING IN 2011 AND ENDING DECEMBER 31, 2015, AS EXTRACTED FROM ITS FINANCIAL STATEMENTS FOR THE PERIOD

	Year Ending 12/31/2015 $'000	Year Ending 12/31/2014 $'000	Year Ending 12/31/2013 $'000	Year Ending 12/31/2012 $'000	Year Ending 12/31/2011 $'000
Continuing Operations					
Revenue	2,115,446	2,103,074	1,941,049	1,615,888	1,560,860
Earnings before interest, tax, depreciation, impairment, loss on disposal of property, plant and equipment and restructuring costs	588,479	407,845	404,337	169,423	98,884
Manpower Restructuring	(31,099)	-	-	-	-
Depreciation	(110,796)	(131,113)	(127,863)	(145,414)	(151,814)
Impairment (charges)/reversals and (write-offs)	-	(155,937)	(2,427)	(17,963)	118,885
Loss on disposal of Property, Plant and Equipment	(164)	(3,963)	(2,484)	(6,806)	(3,429)
Operating profit/(loss)	446,420	116,832	271,563	(760)	62,526
Debt refinancing gains (net)	205,819	-	-	-	-
Restructuring expenses	-	-	-	(112,163)	(67,901)
Finance costs	(164,630)	(213,551)	(237,772)	(238,813)	(166,082)
Profit/(loss) before taxation from continuing operations	487,609	(96,719)	33,791	(351,736)	(171,457)
Taxation credit/(charge)	(58,714)	(108,584)	33,490	7,209	(50,343)
Profit/(loss) for the year from continuing operations	428,895	(205,303)	67,281	(344,527)	(221,800)
Discontinued operations	(115)	(5,754)	-	-	(1,681)
Operating loss for the year from discontinued operations		38	-	-	11,092
Gain on disposal of discontinued operations	(115)	(5,716)	-	-	9,411
Net income for the year from discontinued operations	428,780	(211,019)	67,281	(344,527)	(212,389)
Profit/(loss) for the year					
Attributable to:					
Shareholders of the parent	405,108	(214,394)	58,199	(292,913)	(167,169)
Non-controlling interests	23,672	3,375	9,082	(51,614)	(45,220)
	428,780	(211,019)	67,281	(344,527)	(212,389)
Basic and diluted earnings/(loss) per share (expressed in $ per share)	1.19	(0.87)	0.24	(1.19)	(0.68)

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2015 |
(Expressed in Thousands of Trinidad and Tobago dollars, except where otherwise stated)

	Notes	2015 $	2014 $
Continuing operations			
Revenue	25	2,115,446	2,103,074
Earnings before interest, tax, depreciation, impairment, loss on disposal of property, plant and equipment and manpower restructuring costs	3	588,479	407,845
Manpower restructuring costs	3	(31,099)	–
Depreciation	8	(110,796)	(131,113)
Impairment charges and write-offs	3	–	(155,937)
Loss on disposal of property, plant and equipment	3	(164)	(3,963)
Operating profit	3	446,420	116,832
Finance costs	5 (a)	(164,630)	(213,551)
Debt refinancing gains (net)	5 (b)	205,819	–
Profit/(loss) before taxation from continuing operations		487,609	(96,719)
Taxation charge	6 (a)	(58,714)	(108,584)
Profit/(loss) for the year from continuing operations		428,895	(205,303)
Discontinued operations			
Loss before taxation from discontinued operations	26	(115)	(5,754)
Taxation	6 (a)	–	38
Loss for the year from discontinued operations	26	(115)	(5,716)
Profit/(loss) for the year		428,780	(211,019)
Attributable to:			
Shareholders of the parent		405,108	(214,394)
Non-controlling interests	23	23,672	3,375
		428,780	(211,019)
Basic and diluted earnings/(loss) per share: (expressed in $ per share)	7	$1.19	$(0.87)

The accompanying notes form an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2013 • (Expressed in Thousands of Trinidad and Tobago Dollars, except where otherwise stated)

	Notes	2013 Restated $	2012 Restated $	2011 Restated $
Continuing operations				
Revenue	26	1,941,049	1,615,888	1,560,860
Earnings before interest, tax, depreciation, impairment, loss on disposal of assets and restructuring expenses	3	404,337	169,423	98,884
Depreciation	8	(127,863)	(145,414)	(151,814)
Impairment (charges)/reversals and (write-offs)	3	(2,427)	(17,963)	118,885
Loss on disposal of Property, Plant and Equipment	3	(2,484)	(6,806)	(3,429)
Operating profit/(loss)	3	271,563	(760)	62,526
Restructuring expenses	4	–	(112,163)	(67,901)
Finance costs	5	(237,772)	(238,813)	(166,082)
Profit/(loss) before taxation from continuing operations		33,791	(351,736)	(171,457)
Taxation credit/(charge)	6	33,490	7,209	(50,343)
Profit/(loss) for the year from continuing operations		67,281	(344,527)	(221,800)
Discontinued operations				
Operating loss for the year from discontinued operations	28	–	–	(1,681)
Gain on disposal of discontinued operations	28	–	–	11,092
Net income for the year from discontinued operations		–	–	9,411
Profit/(loss) for the year		67,281	(344,527)	(212,389)
Attributable to:				
Shareholders of the parent		58,199	(292,913)	(167,169)
Non-controlling interests		9,082	(51,614)	(45,220)
		67,281	(344,527)	(212,389)
Basic and diluted earnings/(loss) per share (expressed in $ per share)	7	0.24	(1.19)	(0.68)

The accompanying notes form an integral part of these financial statements.

APPENDIX E

Valuation Analysis of TCL by PricewaterhouseCoopers (PWC) commissioned January 2015

Business Unit

Trinidad Cement Limited
Valuation Estimate

Strictly Private and Confidential

22 January 2015

pwc

Agenda

1. **Engagement Overview**
2. **Overall Approach & Valuation Approaches**
3. **TCL Value Analysis**
   - Discounted Cash Flow ("DCF")
   - Market Multiples
   - Net Asset Value
   - TCL Trading History
4. **Valuation Conclusion & Reasonableness Check**

Appendices

Key Assumptions

Management's Projections

Overview of our Engagement

- PricewaterhouseCoopers Advisory Services Limited ("PwC") was retained to prepare an Estimate Valuation ("Valuation") of the TCL Group as at the current date.
- The Estimate Valuation is one of the components included in our terms of our engagement dated 5 January 2015, to assist Trinidad Cement Limited ("TCL" or "you") with your proposed Rights Issue of approximately US$50 million.

PwC's Valuation is but one consideration to inform TCL's BoD when making their pricing decision

Overall Approach (1 of 2)

Scope of Review

- Review of existing shareholder agreements
- Discussions with management to understand key developments since date of our Financial and Tax Diligence Report
- Leveraging the base case financial models developed during the financial restructuring mandate
- An update of business plans, budgets/ forecasts for 2016-2019 and supporting assumptions
- An analysis of the most recently available management accounts
- Discussions with management regarding the surplus assets, and respective indicative valuations thereof, related to the various group entities. Also, a review of any independent valuations of the Company's assets that may have been performed within the last 24 months.
- Economic review of the major markets in which the group operates, notably Jamaica, Barbados and Trinidad and Tobago
- An analysis published market data and any available public information relevant to the industry in which the group operates
- Market research and analysis of somewhat comparable companies and recent open market transactions involving somewhat comparable companies

Overall Approach (2 of 2)

Our Valuation Approach was based on the principle of **Fair Market Value**

Fair Market Value *"The highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."*

Valuation analysis:

- Analysis of the forecasts prepared by Management
- Sensitivity analysis on key assumptions
- Development of our own valuation model under a number of valuation approaches
- Analysis of the various valuation metrics being somewhat comparable company multiples, precedent transactions and indications of market based discount rates (cost of equity)
- Formulation of our valuation estimate

Market Dynamics – Comparable Company Considerations

- 32 companies traded on the TTSE through 7 registered brokers with a collective market cap of approximately TTD 109 billion
- The New York Stock Exchange (NYSE) index contains 1867 companies with a collective market cap of approximately USD 16,613 billion
- Compared to a developed exchange like the NYSE, shares on the TTSE are considered to be very thinly traded:

Value Traded/ Market Cap	
TTSE	1.02%
NYSE	95.95%

- Thinly traded stocks tend to have higher bid/ ask spreads. This combination can make it difficult to initiate or unwind a position in the stock.

Valuation Approaches (1 of 2)

	Discounted Cash Flow (DCF)	Trading Comparables
	Values TCL based on its growth prospects, efficiencies and synergies as presented in its business plan.	Values TCL based on multiples which comparable companies are trading.
Advantages	• Adjusts for one-time distortions in earnings. • Reflects expected returns based on country and business risk. • Allows sensitivity analysis to key valuation parameters.	• Market efficiency means that trading values should, in theory, reflect industry trends, business risk, market growth and earnings prospects.
Disadvantages	• Subjectivity in forecasts. • Terminal value could represent a significant portion of value, and is highly sensitive to several assumptions.	• Truly comparable companies are rare and difficult to find. • Traded comparables may not reflect fundamental value. • Multiples do not reflect any control premium.

Market Multiples (derived from international somewhat comparable companies) have been adjusted to reflect TCL's underlying business prospects/ key drivers.

Valuation Approaches (2 of 2)

	Adjusted Net Asset Value (ANAV)	TCL Trading Price
	Reflects the book value of the assets and liabilities adjusted to reflect the estimated realisable value of assets and the settlement value of liabilities	Considers the last two years' traded prices and volumes as an indication of value.
Advantages	• For companies with a history of losses and for which a return to profitability seems unlikely in the foreseeable future, the ANAV will usually form the basis of the valuation on the assumption that the best return a prospective purchaser could achieve would be via a liquidation.	• Reflects market sentiment.
Disadvantages	• The approach does not include intangible assets such as goodwill, brand name, client contacts, staff skills, supplier contracts etc., that are valuable to the Company as a going concern.	• The TTSE is a thinly traded market.

- Valuation analyses were performed on a per share basis
- Minority discounts have been applied to reflect the value of control.

TCL Value Analysis

Discounted Cash Flow (DCF) Approach (1 of 6)

The DCF approach followed four basic steps:

- Analysis of future earnings, non-cash items (depreciation, provision releases) and capital expenditure plans/ requirements to determine future levels and timing of cash flows;
- Determination of an appropriate discount rate (Weighted Average Cost of Capital, or WACC) to reflect the risk profile of the investment and the time value of money;
- Calculation of the present value of the future estimated cash flows by application of a discount rate; and
- Deduction/ addition of contingent liabilities/ surplus assets, as applicable.

TCL Value Analysis

Discounted Cash Flow (DCF) Approach (2 of 6)

TCL Group - Summary 5-Year Projections

			Forecast				
TT$ in 000s	**FY13**	**FY14**	**FY15**	**FY16**	**FY17**	**FY18**	**FY19**
Net profit	67,281	69,603	179,453	233,948	267,750	310,738	360,485
Taxation	(33,490)	21,718	47,160	55,115	64,906	76,381	89,700
Interest expense	237,772	201,710	184,928	165,188	141,528	116,977	78,217
EBIT	**271,563**	**293,031**	**411,541**	**454,251**	**474,184**	**504,096**	**528,402**
Depreciation charges	130,290	127,023	130,777	135,995	140,257	143,367	145,825
Disposals	2,484	2,303	2,504	1,000	1,000	1,000	2,500
Reported EBITDA	**404,337**	**422,357**	**544,822**	**591,246**	**615,441**	**648,463**	**676,727**
Reported NP	67,281	69,603	179,453	233,948	267,750	310,738	360,485
Total TCL/CCCL/TGI dili adj	322,459	35,939	-	-	-	-	-
Adjusted NP	**389,740**	**105,542**	**179,453**	**233,948**	**267,750**	**310,738**	**360,485**
Reported EBITDA	404,337	422,357	544,822	591,246	615,441	648,463	676,727
Total TCL/CCCL/TGI dili adj	322,459	35,939	-	-	-	-	-
Adjusted EBITDA	**726,796**	**458,296**	**544,822**	**591,246**	**615,441**	**648,463**	**676,727**

Refer to Appendix for Management's detailed P&L and Balance Sheet Projections

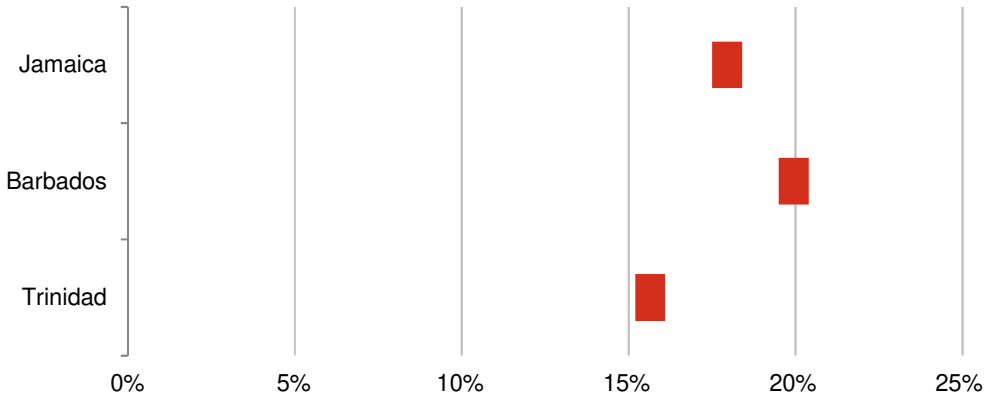
TCL Value Analysis

Discounted Cash Flow (DCF) Approach (3 of 6)

TCL WACC by Territory

	High	Low
Trinidad Operations	15.2%	16.1%
Barbados Operations	19.5%	20.4%
Jamaica Operations	17.5%	18.4%

TCL Group WACC by territory



- We computed the WACC from the perspective of a regional investor.
- It should be noted that the discount rate (WACC) and the cash flow forecast to which it is applied is interdependent — each must reflect the same underlying considerations. We have therefore estimated the WACC based on our view of the robustness of management's financial projections.

TCL Value Analysis

Discounted Cash Flow (DCF) Approach (4 of 6)

The weighted average cost of capital was derived using the Capital Asset Pricing Model (CAPM)

	Trinidad		Barbados		Jamaica	
	Low	High	Low	High	Low	High
Cost of Equity						
Risk Free Rate for TTD	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
Equity Risk Premium	7.40%	7.40%	7.40%	7.40%	7.40%	7.40%
Beta	1.50	1.75	1.50	1.75	1.50	1.75
Cost of Equity before company specific risk	**14.85%**	**16.70%**	**14.85%**	**16.70%**	**14.85%**	**16.70%**
Company specific risk	**9.5%**	**9.5%**	**18.0%**	**18.0%**	**14.0%**	**14.0%**
Pre-Tax Cost of Equity	**24.4%**	**26.2%**	**32.9%**	**34.7%**	**28.9%**	**30.7%**
Applicable Cost of Equity	**24.4%**	**26.2%**	**32.9%**	**34.7%**	**28.9%**	**30.7%**
PwC Estimated Cost of Debt						
PwC estimated market rate	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Tax rate	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
After-tax cost of debt	**6.0%**	**6.0%**	**6.0%**	**6.0%**	**6.0%**	**6.0%**
WACC						
Applicable cost of equity	24.4%	26.2%	32.9%	34.7%	28.9%	30.7%
Equity weighting	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Equity Component	**12.2%**	**13.1%**	**16.5%**	**17.4%**	**14.5%**	**15.4%**
Applicable cost of debt	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Debt weighting	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Debt Component	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**	**3.0%**
WACC	**15.20%**	**16.10%**	**19.45%**	**20.35%**	**17.45%**	**18.35%**
Applicable WACC	**15.2%**	**16.1%**	**19.5%**	**20.4%**	**17.5%**	**18.4%**
Average		15.7%		20.0%		18.0%

Source: Bloomberg, Public Information, PwC Analysis

- The CAPM is based upon:
  - a risk-free rate and
  - an equity premium.
- The equity premium is modified by a factor called beta, which measures the systematic risk associated with an equity security.
- Company specific risk factors include size premium and company specific factors such as forecast risk, illiquidity and operational inefficiencies.

TCL Value Analysis

Discounted Cash Flow (DCF) Approach (5 of 6)

Terminal Value of TCL's Material Operations

	TCL (TT$000s)		RML (TT$000s)		CCCL (US$000s)		ACCL (BDS000s)	
	Low	High	Low	High	Low	High	Low	High
Maintainable FCFF	320,000	350,000	24,000	28,000	20,000	22,000	1,000	1,200
Capitalisation rate	14.7%	14.7%	14.2%	14.2%	16.5%	16.5%	19%	19%
Cap.value of cash flows beyond FY19	**2,184,300**	**2,389,078**	**169,611**	**197,880**	**121,581**	**133,739**	**5,277**	**6,332**
PV factor	0.483	0.483	0.483	0.483	0.438	0.438	0.403	0.403
TV of ops beyond FY19	**1,055,806**	**1,154,788**	**81,984**	**95,647**	**53,257**	**58,582**	**2,125**	**2,550**
Selected Terminal Growth Factor ("g")		**1.0%**		**1.5%**		**1.5%**		**1.0%**

Source: Management Reports, PwC Analysis

Global GDP Growth Projections (IMF)

Country		2012	2013	2014	2015	2016	2017	2018	2019
Barbados	Gross domestic product, constant prices	0.01%	-0.30%	-0.55%	0.55%	1.51%	1.71%	2.02%	2.25%
Jamaica	Gross domestic product, constant prices	-0.47%	0.20%	1.05%	1.78%	2.23%	2.45%	2.65%	2.70%
Trinidad and Tobago	Gross domestic product, constant prices	1.25%	1.62%	2.34%	2.09%	1.86%	1.80%	1.81%	1.74%

Note: Shaded cells indicate IMF staff estimates

TCL Value Analysis

Discounted Cash Flow (DCF) Approach (6 of 6)

TT$ in 000s	Low	High
Capitalised Value (operating cos)	**2,577,922**	**2,730,246**
Surplus Assets (RML)	46,215	74,655
Tax Liability Estimate (TGI)	(12,472)	(12,472)
Enterprise Value	**2,611,666**	**2,792,429**
Less Debt (excl TLL Debt)	(1,480,555)	(1,480,555)
ANAV (ACCL, TNL, TSL, TLL)	(229,036)	(229,036)
Total Equity Value (Control Basis)	**902,074**	**1,082,838**
Equity Value (Minority Basis)	**721,659**	**866,270**

TCL Value Analysis

Market Approach (1 of 5)

- We have applied the **Market Approach** using derived **Multiples** – based on somewhat comparable publicly traded companies, leveraging available market data.
- The approach we followed:
  - identified and selected somewhat comparable publicly traded companies;
  - estimated multiples – EV/ EBITDA, EV/ Sales, and EV/NBV;
  - adjusted multiples for control premium, size, business volatility and market risk; and
  - applied market multiples to relevant TCL metrics to estimate value ranges.

TCL Value Analysis

Market Approach (2 of 5)

We have considered European, North American and South American Multiples to provide us with a broad perspective as to value.
No Caribbean Region listed Comparable Companies exist.

Somewhat Comparable Company - Market Multiple Analysis

Company	Financial information date	Curr	Quoted Price/Book	Quoted PE (TTM)	Market Cap (reporting currency)	Total Debt	Enterprise value	TTM Normalised EBITDA	Adj EV/ EBITDA
Lafarge (millions of EUR)	June 14	EUD	**1.09**	**34.30**	16,631	12,435	29,066.31	3,095	**9.39**
Cemex SAB de CV (millions of USD)	Sept 14	USD	**1.27**	**N/A**	12,525	15,944	28,468.97	2,753	**10.34**
Holcim Ltd (millions of CHF)	June 14	USD	**1.37**	**19.92**	23,289	12,565	35,853.81	3,702	**9.68**
CRH PLC (millions of EUR)	June 14	EUD	**1.57**	**N/A**	14,437	4,912	19,349.22	1,705	**11.35**
HeidelbergCement AG (millions of EUR)	June 14	EUR	**0.88**	**25.76**	11,155	8,524	19,678.83	2,293	**8.58**
Titan (millions of EUR)	Sept 14	EUR	**1.12**	**178.15**	1,511	702	2,213.15	194	**11.39**
Argos (milions of COP)	Sept 14	COP	**1.73**	**47.10**	12,133,520	4,025,212	16,158,732.00	1,037,724	**15.57**
Cimpor Cimentos de Portugal (millions of EUI	Sept 14	EUR	**-**	**N/A**	655	4,258	4,913.20	638	**7.70**

Min	7.70
Max	15.57
Average	10.50
Avg excl high and low	9.81

Selected Multiple range - UNADJUSTED	
High	11.00
Low	9.50

Source: Bloomberg, PwC Analysis

TCL Value Analysis

Market Approach (3 of 6)

	Trinidad		Barbados		Jamaica	
	Low	High	Low	High	Low	High
EV/ EBITDA Multiples						
Selected multiple	9.50	11.00	9.50	11.00	9.50	11.00
Total adjustments	35%		53%		40%	
Adjusted multiple	**6.18**	**7.15**	**4.51**	**5.23**	**5.70**	**6.60**
Average	**6.66**		**4.87**		**6.15**	
TTL EV/EBITDA multiple	**6.25**					

- The selected multiple range was adjusted for the major territories, notably Trinidad and Tobago, Jamaica and Barbados after consideration of the following factors:
  - Size
  - Illiquidity
  - Operational inefficiencies
  - Volatile financial performance
  - Lack of diversification
  - Country risk for operating outside the US

TCL Value Analysis

Market Approach (4 of 5)

EBITDA Ranges

$TT 000's	High	Low
Trinidad Entities		
TCL	400,000	350,000
TPL	4,000	2,500
TPM	1,500	900
RML	25,000	19,000
Jamaica Entities		
CCCL (Consol)	7,800	7,200
Other		
TCL Trading (Anguilla)	10,000	9,000
TGI (Guyana)	9,500	8,000

The approach we followed:

- Estimated the relevant High and Low range of maintainable EBITDA based on a robust assessment of historic performance as well as an analysis of management's projections
- Applied applicable EV/EBITDA multiples given the country risk of each operating entity
- Added/ (deducted) any surplus assets/ (liabilities) not core to companies operations
- Deducted debt to arrive at value of equity on a minority basis
- Added a control premium of 15% to derive the value of equity on a control basis

TCL Value Analysis

Market Approach (5 of 5)

We have applied TCL's respective beneficial interests to the valuation estimates of the various subsidiary undertakings to derive en bloc value of the TCL Group.

	EV/ EBITDA	
TT$ in 000s	**Low**	**High**
Trinidad Entities		
TCL	651,529	882,679
TPL	15,324	24,518
TPM	4,482	7,470
RML	152,745	218,136
Jamaica Entities		
CCCL (Consol)	204,553	224,829
Other		
TCL Trading (Anguilla)	64,713	71,904
TGI (Guyana)	30,922	39,409
Adjusted Net Asset Value Basis		
ACCL	(128,118)	(128,118)
TCL Nevis Ltd (Nevis)	(54,741)	(54,741)
TCL Service	1,484	1,484
TCL Leasing Ltd	(47,661)	(47,661)
Total Valuation (incl non operating)	**895,231**	**1,239,908**

TCL Value Analysis

Adjusted Net Asset Value

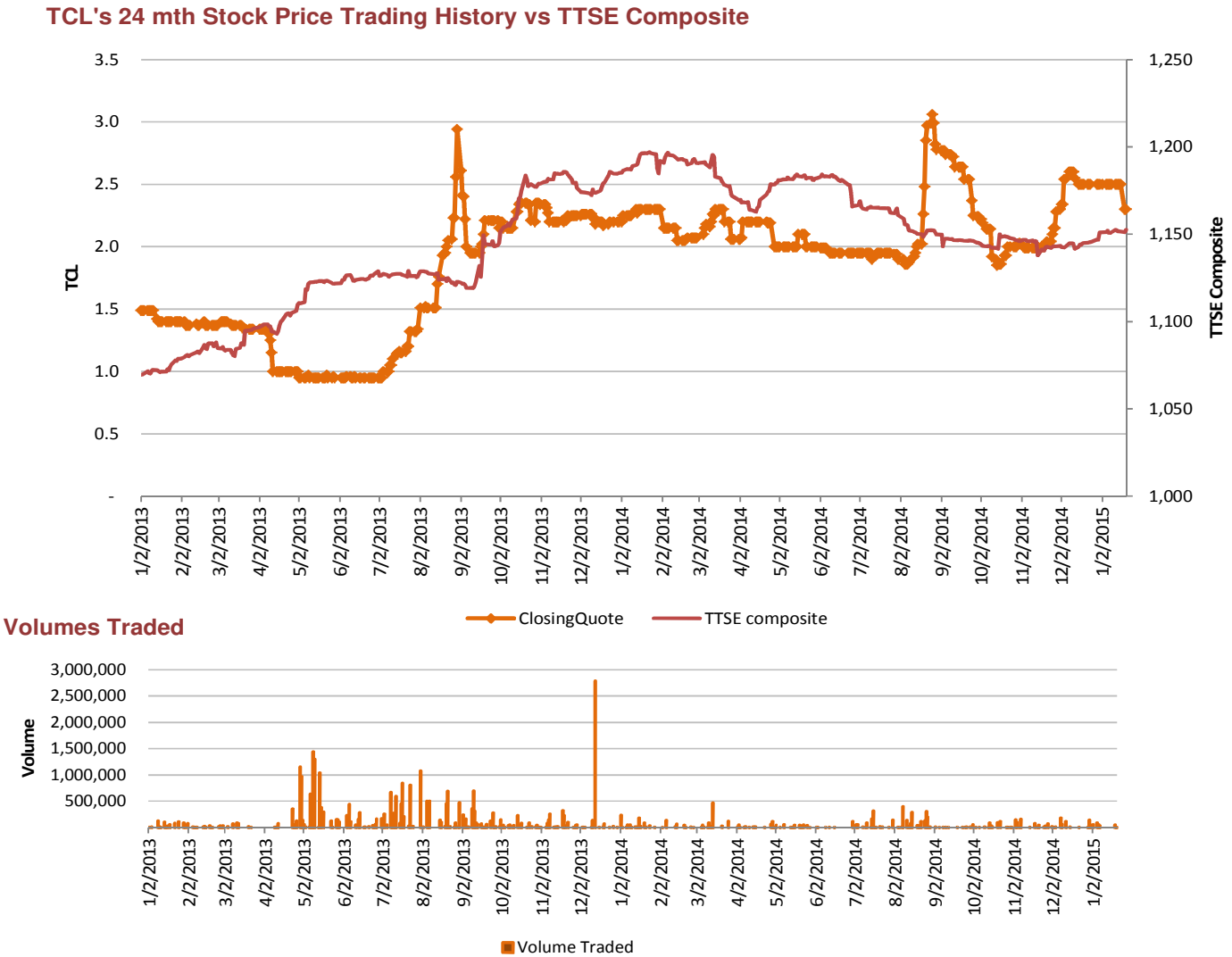
- The book value assets and liabilities for TNL, TSL and TLL have been assumed to represent the fair market value of these assets and liabilities, save and except for the quarry in TLL. We have present valued the lease payments from TCL to TLL to determine the fair market value of that asset.
- The analysis below reflects our assumptions regarding the liquidation value of ACCL:

BDS $(000)	14-Dec-14	Estimated Recoverable Value	Assumed Recovery Rate	Comments
ASSETS				
Cash & Bank	1,744	1,744	100%	Assumed recovery rate has been based on market experience proxies regarding the
Receivables - Local	1,086	271	25%	FV of the recoverability of assets/ liabilities
- Export	1,352	338	25%	
- Other	388	97	25%	
Due from Parent & Related Cos.	1,911	1,911	100%	
Inventory	42,178	21,089	50%	
Deferred Expenditure	4,550	-	0%	
TOTAL CURRENT ASSETS	**53,209**			
Net Fixed Assets	81,921	20,480	25%	
Deferred refinancing cost	-	-	0%	
Deferred taxation	8,022	-	0%	
Pension Plan Asset	626	470	75%	
TOTAL NON CURRENT ASSETS	**90,570**			
TOTAL ASSETS	**143,779**			
LIABILITIES				
Overdraft	-	-	-100%	
Accounts payable	26,189	(26,189)	-100%	
Accrued expenses	6,117	(6,117)	-100%	
Dividends payable	-	-		
Due to Parent & Related Cos.	12,703	-	0%	
Current Portion-M/T & L/T loans	54,218	(54,218)	-100%	
TOTAL CURRENT LIABILITIES	**99,227**			
Employee Severance		-	0%	FV of recoverable value of assets is less than debt, hence assumes severance will
Adjusted Net Asset Value		**(40,124)**		

Source: Assets and liabilities extracted from Mgt's draft balance sheet as at Dec-14

TCL Value Analysis

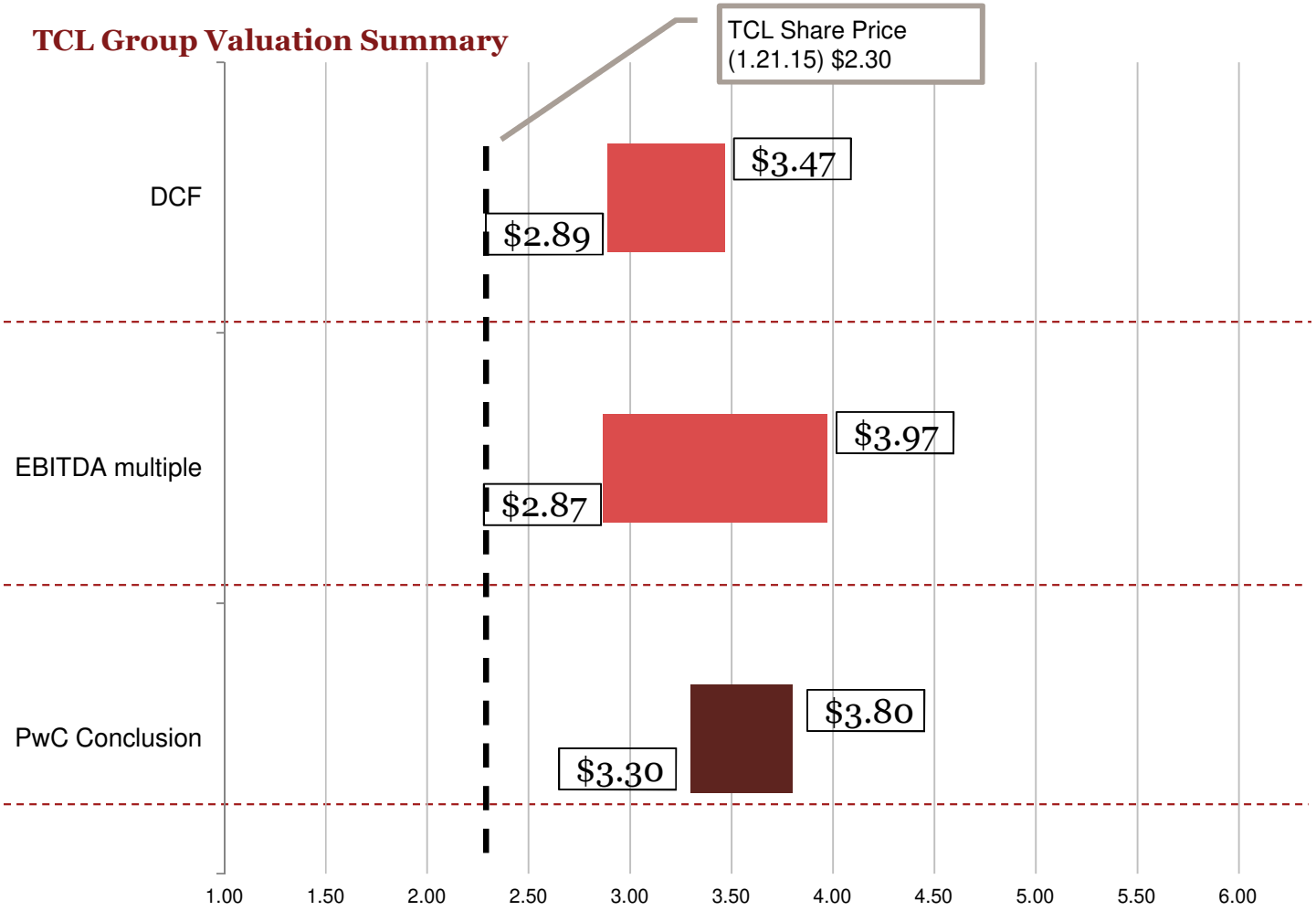
TCL's 24 month trading history



- Charts are based on quoted market data.
- As observed by reference to the volumes traded over the past 24 months, TCL's shares have been thinly traded.

Value Analysis Summary

Based upon and subject to the foregoing, including the scope of work and limitations and assumptions, PwC is of the opinion that, as of the Valuation Date, the value of a TCL share is between $3.30 and $3.80.



Value Analysis – Reasonableness Check

TCL Consolidated Group Valuation Summary

Equity Valuations (TT$ in 000s)	Low	High	per share Low	per share High
EV/ EBITDA	881,735	1,150,146	3.53	4.60
EV/ Sales	805,585	1,126,759	3.23	4.51
EV/ NBV	794,018	794,018	3.18	3.18
Average	827,113	1,023,641		
Avg excl high and low	805,585	1,126,759		
Min	794,018	794,018		
Max	881,735	1,150,146		
No of issued shares	**249,765,136**			

- Our valuation conclusion is between 8x to 10x normalised P/E. [Normalised group earnings for FY14 was estimated as TT$105.5M]
- This is considered to be reasonable when compared to local market multiples for manufacturing companies.
- We have further applied market multiples (from internationally traded cement manufacturers) to the following TCL Consolidated metrics, notably, EBITDA, Sales and NBV as a further reasonableness check on our value conclusion.

Appendices

Key Assumptions

- The draft management accounts for the financial year ended December 31, 2014 and the financial projections for the financial years ending December 31, 2015 to 2019 provided by TCL's Management to PwC represents their best view as to the financial performance of TCL and its subsidiary companies.
- The only surplus asset relates to a plot of land owned by RML, which has been professionally valued between TT$65M – TT$105M.
- Where the value of any asset is impaired, this fact has been reflected in the accounts or has otherwise been disclosed to PwC. Any pledge, lien, assignment or encumbrance of any important consequence on any asset of the Company as security for liabilities has been disclosed to PwC.
- TCL's Management has no knowledge of any lawsuit, tax claims, pending litigation including possible claims, contingent liabilities or substantial commitments, which exist, which would materially affect the financial statements.
- TCL's Management has no knowledge of violation of any environmental laws affecting the Company's property. All certificates of approval and any orders made under such laws have been complied with.
- Unless otherwise disclosed to PwC, there are no known material positive or negative contingencies.
- Unless otherwise disclosed to PwC, any related party transactions previously or to be carried out by TCL group companies are at market rates.

Management's 5-Year Income Statement Projections

TT$000	FY15F	FY16F	FY17F	FY18F	FY19F
Local sales - 3rd party	1,776,316	1,826,687	1,864,545	1,926,131	1,994,727
Export sales - 3rd party	410,934	435,024	462,323	467,003	469,933
Other income/(expense)	2,887	2,700	2,583	2,603	2,627
Total revenue	**2,190,137**	**2,264,412**	**2,329,451**	**2,395,738**	**2,467,287**
Operating costs	1,645,316	1,673,165	1,714,008	1,747,275	1,790,559
Disposals	2,504	1,000	1,000	1,000	2,500
Depreciation/ impairment	130,777	135,995	140,257	143,367	145,825
Total expenses	**1,778,596**	**1,810,160**	**1,855,266**	**1,891,642**	**1,938,884**
EBIT	**411,541**	**454,252**	**474,185**	**504,096**	**528,402**
Interest, net	1,042	1,141	1,367	2,115	2,592
Foreign exchange (gains)/ losses	1,702	1,222	1,222	1,222	1,222
Interest expense - restructured debt	182,184	162,825	138,939	113,640	74,403
Profit/ (Loss) before Taxation	**226,613**	**289,063**	**332,656**	**387,118**	**450,185**
Prov for taxes - deferred	12,129	14,122	23,017	32,317	44,466
Prov for taxes - current	35,031	40,993	41,889	44,064	45,233
Total taxation	**47,160**	**55,115**	**64,906**	**76,381**	**89,700**
Profit/(Loss) after Taxation	**179,453**	**233,948**	**267,750**	**310,738**	**360,485**
Minority interest	(10,340)	(11,702)	(12,392)	(14,524)	(15,432)
Group Net Profit	**169,113**	**222,246**	**255,358**	**296,213**	**345,054**
Memo: EBITDA	**544,822**	**591,247**	**615,442**	**648,463**	**676,727**

Source: Management Reports

Management's 5-Year Balance Sheet Projections

TT$000	Dec-15F	Dec-16F	Dec-17F	Dec-18F	Dec-19F
Property, plant and equipment	1,867,635	1,839,629	1,788,861	1,714,540	1,636,573
Other long-term assets	118,561	118,561	118,561	118,561	118,561
Total non-current assets	**1,986,197**	**1,958,191**	**1,907,422**	**1,833,101**	**1,755,134**
Cash and cash equivalents	48,488	56,763	102,112	283,826	449,829
Accounts receivable	173,636	167,305	172,124	177,026	182,317
Inventories	479,150	518,681	531,343	541,655	555,073
Total current assets	**701,273**	**742,749**	**805,579**	**1,002,507**	**1,187,220**
Accounts payable	336,213	373,801	352,194	359,029	367,923
Curr portion of long-term loans	217,921	242,134	218,324	196,936	196,936
Total current liabilities	**554,134**	**615,935**	**570,518**	**555,965**	**564,859**
Working capital	**147,139**	**126,814**	**235,061**	**446,542**	**622,361**
Total assets	**2,133,336**	**2,085,004**	**2,142,483**	**2,279,643**	**2,377,495**
Financed by:					
Issued share capital	466,206	466,206	466,206	466,206	466,206
Capital reserves	(25,299)	(25,299)	(25,299)	(25,299)	(25,299)
Translation reserve	(261,882)	(261,487)	(261,491)	(261,189)	(259,966)
Retained earnings	557,495	760,391	996,399	1,273,262	1,503,298
Shareholders' equity	**736,520**	**939,810**	**1,175,815**	**1,452,980**	**1,684,238**
Long-term debt restructured	1,449,778	1,172,333	960,062	773,215	579,911
Long-term debt - other	1,665	1,664	-	-	-
Retirement benefit obligations	53,669	53,669	53,669	53,669	53,669
Net deferred tax (asset)/ liability	(96,229)	(82,106)	(59,089)	(26,772)	17,694
Minority interest	(12,067)	(365)	12,027	26,551	41,983
Total capital	**2,133,336**	**2,085,004**	**2,142,483**	**2,279,643**	**2,377,495**

Source: Management Reports

Thank You

APPENDIX F

PWC's consent dated December 22, 2016 for inclusion of the Valuation Analysis

Strictly Private & Confidential

Mr. Nigel Ewards
Director
Trinidad Cement Limited
Southern Main Road
Claxton Bay
Trinidad & Tobago

22 December 2016

Use of Trinidad Cement Ltd Valuation Estimate Presentation in Directors' Circular

Dear Mr. Espinet,

Based on correspondence with Nigel Edwards, we understand that Trinidad Cement Ltd (TCL) would like to use our Estimate Valuation Analysis and resultant Estimate dated 22 January 2015 (The Estimate Presentation or the Requested Documents), in conjunction with TCL's Directors Circular prepared in relation to the take-over offer received from Cemex S.A.B. de C.V. dated 5 December 2016.

We understand that our Valuation Estimate may either be:

- Referenced in TCL's Directors' Circular to shareholders;
- Filed with the Trinidad and Tobago Securities Exchange Commission (SEC) as part of the submissions which may be required along with the Directors' Circular; or
- Made available for review by the shareholders.

Our general policy, as outlined in our engagement letter is not to provide third parties with copies of or access to our reports. However, we are content to allow you to utilize our Valuation Estimate Presentation in the manner outlined above on certain conditions as outlined in this letter. As a condition of making our report available, we require that you agree to the terms of this letter.

This Valuation Estimate Presentation was prepared by us and addressed to you and presents our valuation estimate of the fair market value of TCL on a minority basis at that time. Our Valuation Estimate Presentation was prepared for the sole for use by TCL as one of the bases to support your decision making in determining an appropriate price for a possible rights issue transaction, and not for use by any other party or other transaction. You should therefore bear in mind that the information contained within the Valuation Estimate Presentation and the work carried out was designed to meet the specific terms of reference agreed with you as determined by the purposes of the exercise and your needs at that time. Consequently, the Valuation Estimate Presentation should not be regarded as suitable for use by any other person, or for any other purpose.

PricewaterhouseCoopers Advisory Services Limited
PO Box 550, 11-13 Victoria Avenue, Port of Spain, Trinidad, West Indies
T: (868) 299 0700, F: (868) 623 6025, www.pwc.com/tt

The Recipient may seek information and explanations in addition to the disclosure, information and explanations referred to above. However, we shall not be prepared to respond to requests for such information and explanations otherwise than on the basis that we shall have no liability whatsoever in respect of the information or explanations supplied. We address this point in the release letter described below.

PwC alone will be responsible for the provision of the Requested Documents. You therefore agree that you will not bring any claim in respect of or in connection with the Requested Documents whether in contract, in tort (including without limitation, negligence), or howsoever otherwise arising against any partner, member, employee, agent of and/or contractor to PwC or of any company which PwC owns. This letter is for the benefit of all those referred to in this paragraph and each of them may enforce in their own right all of the terms of this letter, subject to the right of PwC and TCL to rescind or vary the terms of this letter without their consent. You and we do not require the consent of those partners, members or employees to vary this letter at any time.

Any costs incurred by PwC or any of its agents and / or subcontracts in respect of the provision of information to the Recipient will be for the account of TCL.

Given the foregoing, you accept that, to the fullest extent permitted by law, we owe no duty of care or other obligation to third parties and have no liability to them, in relation to or in connection with a possible sale as a result of having access to our Report. Further you accept the risk, and will not hold us responsible, if utilizing our Report in the manner outlined:

(i) Results in the SEC or other regulatory body, either appropriately or inappropriately requesting a change to the Directors' Circular or transaction time line.
(ii) Results in or contributes to the termination or reduction of shareholders' interest in the take-over offer, or changes the terms of any proposed acquisition; or
(iii) Causes an action or proceeding to be brought at any time against TCL; or
(iv) Results in a third party using or misusing any confidential information obtained from our Valuation Estimate Presentation or explanations given by us.

This letter shall be governed by and construed in accordance with the laws of Trinidad and Tobago and the Courts of Trinidad and Tobago shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with it.

Please confirm that you agree with these terms by signing the enclosed copy of this letter.

Please contact either Kester Popplewell or myself should you have any questions.

Yours faithfully

Brian Hackett
Managing Director
299 0710 (Dir)/ Cell: 392 7922
brian.hackett@tt.pwc.com

We hereby agree to the provisions of the above letter for and on behalf of Trinidad Cement Limited

Signature	NIGEL EDWARDS Name
DIRECTOR Position	22-12-2016 Date

APPENDIX G

Ernst & Young Services Limited's Fairness Opinion dated December 20, 2016

Building a better working world

Ernst & Young Services Limited
P.O. Box 158
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Trinidad

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ZN:tr
tas

20 December 2016

The Special Committee of the Board of Directors of Trinidad Cement Limited
c/o Trinidad Cement Limited
Southern Main Road
Claxton Bay
Trinidad

Fairness Opinion in relation to the 5 December 2016 Offer from Sierra Trading

Dear Sirs/Mesdames

Introduction

On 5 December 2016, Sierra Trading (the "Offeror" or "Sierra") issued an Offer and Take Over Bid Circular ("Sierra Circular") seeking to acquire up to 132,616,942 Trinidad Cement Limited ("TCL") ordinary shares, held by TCL shareholders other than the Offeror, at a price of TT$4.50 (the "Offer price"). Sierra currently holds 147,994,188 ordinary shares of TCL which represents a shareholding position of approximately 39.5%. Together with its existing shareholding, the proposed acquisition (the "Offer") will result in an increase in Sierra's shareholding to a maximum of 74.9%.

Sierra is a wholly-owned direct subsidiary of CEMEX España, S.A, a company organized and existing under the laws of Spain and which is a 99.88% owned indirect subsidiary of Cemex, S.A.B. de C.V. ("CEMEX" of "CEMEX Group"). CEMEX is a public company organized under the laws of Mexico and is one of the largest cement and ready-mix concrete companies in the world. In April 2015, TCL and CEMEX entered into a Technical Services Agreement which involves the latter providing technical and managerial services to TCL's Group operations, its Trinidad and Tobago operations and its Jamaica operations.

The Offer is conditional in that Sierra will not be bound to purchase any shares tendered if the Offer results in Sierra (together with any of its affiliates) holding less than 50.01% interest and voting rights in TCL. The Offer is subject to other terms and conditions as outlined in the Sierra Circular.

We understand that the Offer is based on a valuation of the TCL shares conducted by Galaz, Yamazaki, Ruiz Urquiza, S.C. ("GYRU"), a member firm in Mexico of Deloitte Touche Tohmatsu Limited in the United Kingdom, as of October 31, 2016.

In connection with the Offer, Ernst & Young Services Limited ("EYSL") was retained by the Special Committee of the Board of Directors of TCL to provide a fairness opinion.

Independence of EYSL

EYSL has developed this fairness opinion on the basis of an independent review and analysis of TCL (and its subsidiaries). The fairness conclusion reached is that of the valuation professionals within EYSL as well as

subject matter professionals within our EY network. The fees of EYSL for this fairness opinion are not contingent in any way on the conclusions reached.

To the best of our knowledge:

- EYSL professionals on this engagement do not hold, or beneficially own, any interest in TCL;
- EYSL has not previously provided valuation services to TCL;
- In future, EY may provide professional services to TCL and/or affiliates in the ordinary course of business.

EY has been providing audit services to TCL over the past thirteen (13) years. However, the EYSL professionals on this engagement have complied with EY global ring fencing policies and procedures in order to safeguard confidentiality requirements between the EYSL team on this engagement and EY's TCL audit team. No member of the EYSL team on this engagement has provided audit support services in the last three (3) years.

Scope of Review

In developing this fairness opinion, EYSL has had discussions with the management of TCL and its subsidiaries ("TCL Group"), conducted the procedures noted below, and relied on information obtained from these general procedures, among others:

1. Reviewed the terms of the Sierra Offer.
2. Gained an understanding of TCL Group's operating structure, operations, products and services, markets, value drivers and risks based on information provided by TCL and available from public sources.
3. Reviewed historical annual financial statements of the TCL Group (consolidated and subsidiary accounts) for the years ended December 31, 2014 and 2015 and the unaudited interim financial results for the eleven months ended November 30, 2016, to obtain an understanding of the cost, revenue, investment and financing structure, and the results of operations in terms of revenues, profits, and cash flows. The period January 1, 2014 to November 30, 2016 is referred to herein as the "period under review".
4. Conducted a review of the FY16 best estimate ("FY16E") based on actual financial performance for the period January 2016 to November 2016 and revised budget for December 2016 and FY17 to FY21 cash flow forecasts for the TCL Group based on the Board approved FY17 budget and TCL management's forecast for FY18 to FY21 to obtain an understanding of future prospects, initiatives, risks and opportunities.
5. Discussed the existence of any non-operating/ redundant assets with management.
6. Reviewed various background materials concerning TCL Group's business, as well as press releases, industry data and information.
7. Reviewed a range of economic, investment, stock market trading, and acquisition transaction data in the process of developing factors and rates of return relevant to formulating a view of with regard to fairness of the Offer price.

8. Conducted income based valuation sensitivity analyses by applying a discounted cash flow approach as of November 30, 2016 to value TCL Group, considering management's cash flow forecasts based on their expectation of the most probable outcome for the business.
9. Conducted market based valuation sensitivity analyses by estimating TCL Group's sustainable EBITDA and applying trading multiples for guideline publicly traded companies and transaction multiples selected from a review of acquisitions in TCL's industry. In assessing estimated sustainable EBITDA, we:
    a. Adjusted revenues and expenses to levels that are reasonably representative of expected continuing operations; and
    b. Considered the impact of non-recurring events on historic revenue and expense items.
10. Evaluated the Offer on the basis of fairness from a financial point of view to the shareholders of TCL.

Assumptions and Limitations

EYSL has relied upon the completeness, accuracy and fair presentation of all of the financial and other information obtained by it from public sources, and from TCL for purposes of developing this fairness opinion. This fairness opinion is conditional upon the completeness and accuracy of such information. Subject to the exercise of professional judgements and except as expressly described herein, we have not attempted to verify the completeness, accuracy or fair presentation of any of the information relied upon in developing this assessment of financial fairness. The attached Schedule of Limiting Conditions includes additional assumptions concerning the information reviewed.

Management of the TCL Group has represented to us that the information they provided is true and correct in all material respects as of 30 November 2016 and from that date to the date of this fairness opinion there have been no changes in facts material to the fairness conclusion.

This fairness opinion is based upon securities markets, economic, business and financial conditions as of the reference date of 30 November 2016.

This fairness opinion has been prepared for the specific purpose identified above and is not to be used in any other context without the express written consent of EYSL. This fairness opinion is developed as of a specific date on the basis of identifiable information and EYSL has not undertaken to update it to any other date. Should information relevant to the fairness conclusions become available to EYSL subsequent to the date of our fairness opinion, EYSL reserves the right, but will be under no obligation, to revise this fairness opinion.

In completing the fairness opinion EYSL has made assumptions with respect to economic, industry, and company performance and expectations that are matters over which EYSL has no control. Specifically, EYSL has accepted management's forecast of future performance of the TCL Group as management's best estimate of the most probable course of action for the business.

Going concern business value and associated evaluations of transaction fairness are inherently and inescapably a matter of implicit or explicit perceptions of the potential future economic performance of the business under consideration and the environment in which that performance will take place. Recognizing that those perceptions are developed under conditions where neither contractual nor other bases exist to ensure that actual operating results will conform to the assumptions employed for valuation purposes, this

analysis necessarily works with contingent and uncertain information and there is a corresponding degree of uncertainty in the resultant estimates of value. In some measure this uncertainty is recognized in the process of specifying the valuation results as a range. It must accordingly be recognized that EYSL does not warrant that the estimates employed in developing this fairness opinion represent commitments as to what the future performance of the businesses will be.

The fairness opinion is considered to be a reasonable evaluation on the basis of the information and assumptions upon which it is predicated and as of the time when it was developed. However, should significant deviations from these assumptions emerge in the future, the evaluation may cease to be representative.

EYSL believes that an evaluation of the fairness of the Offer from a financial point of view must be considered as a whole and that selecting portions of the analysis and report without considering the other factors and analyses may create a misleading view of the evaluation process.

EYSL has not been engaged to provide and has not provided an opinion: i) as to the fairness of the Offer for individual shareholders who may need advice from their own financial advisors in relation to their shareholdings in TCL; ii) as to the fairness of the process underlying the Offer; iii) on the tax structure or attributes relating to the Offer; iv) on the investment or strategic merit of future operations.

This fairness opinion is not to be construed as a recommendation to any director or shareholder to accept or reject the proposed Offer. This fairness opinion does not provide assurance that the best possible price was or will be obtained for assets included in the Offer.

Approach to the Evaluation of Fairness

In reviewing the Offer in terms of fairness from a financial point of view to the shareholders of TCL, EYSL's considerations included the Offer price relative to our assessment of value based on the valuation and financial review procedures described herein.

Fairness Conclusion

This fairness opinion has been prepared solely for the use by the Board of Directors, and the Special Committee of the Board of Directors of Trinidad Cement Limited; and it is only one factor amongst others that the Board of Directors of Trinidad Cement Limited will consider in forming their opinion in respect of the Offer.

On the basis of our evaluation and subject to the assumptions and limitations noted herein, it is our opinion as of the date hereof that the Offer is not fair, from a financial point of view, to the shareholders of TCL.

Sincerely,

Zack Nadur
Director
Ernst & Young Services Limited

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SCHEDULE OF LIMITING CONDITIONS

1. Ernst & Young Services Limited ("EYSL") has prepared this fairness opinion solely for the purpose stated, and it should not be used for any other purpose. In carrying out our work, we have worked solely on the instructions of our client and this fairness opinion has been prepared solely for the use by the Board of Directors, and the Special Committee of the Board of Directors of Trinidad Cement Limited. Our fairness opinion may not have considered issues relevant to third parties and EYSL shall have no responsibility whatsoever to any third party which obtains a copy of this fairness opinion. Any use such a third party may choose to make of this fairness opinion is entirely at its own risk.

2. Provision of conclusions and/or recommendations and considerations of the issues described herein are areas of valuation practice for which we believe that we have knowledge and experience. The services provided are limited to such knowledge and experience and do not represent audit, advisory or tax-related services that may otherwise be provided by EY or another Ernst & Young member firm.

3. No investigation of the title to the subject company and subject assets has been made, and the ownership claims to the subject company and subject assets are assumed to be valid. To the extent that EY's services relate to assets, properties or business interests, EY shall assume no responsibility for matters of legal description or title, and EY shall be entitled to make the following assumptions: (i) title is good and marketable, (ii) there exist no liens or encumbrances, (iii) there is full compliance with all applicable government regulations and laws (including, without limitation, zoning regulations), and (iv) all required licenses, certificates of occupancy, consents, or legislative or administrative authority from any government, private entity or organization have been or can be obtained or renewed for any use to which EY services relate.

4. The conclusions and/or recommendations contained herein are not intended to represent the values of the subject assets at any time other than the effective date that is specifically stated in this fairness opinion. Changes in market conditions could result in recommendations of value substantially different than those presented at the stated effective date. We assume no responsibility for changes in market conditions or for the inability to realize the share values stated herein.

5. No responsibility is assumed for information furnished by others (including management), and such information is believed to be reliable.

6. In the course of our analysis, we were provided with written information, oral information, and/or data in electronic form, related to the structure, operation, and financial performance of the subject company and subject assets. We have relied upon this information in our analyses and in the preparation of this fairness opinion and have not independently verified its accuracy or completeness.

7. Certain historical financial data used in our engagement were derived from unaudited financial statements and are the responsibility of management. These financial statements may not have included disclosures required by generally accepted accounting principles. We have not independently verified the accuracy or completeness of the data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.

8. The estimates of cash flow data underlying the analysis herein is solely for use in the valuation analysis. We have not performed an examination or compilation of the underlying cash flow data in accordance with standards prescribed by the professional accounting bodies, and, accordingly, do not express an opinion or offer any form of assurance on the underlying cash flow data or their underlying assumptions. Furthermore, there will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

9. Our fairness opinion assumes full compliance with all applicable federal, provincial, local, and other zoning, usage, environmental and similar laws and regulations, unless otherwise stated.

10. We assume no responsibility for any financial and tax reporting decisions, which are appropriately those of management. It is our understanding that management accepts the responsibility for any financial statement and tax reporting issues with respect to the subject assets.

11. We reserve the right (but will not be obligated) to revise this fairness opinion in light of any relevant information (that we consider material to this fairness opinion) that comes to our attention after the date of issuance.

APPENDIX H

Ernst & Young Services Limited's consent dated December 21, 2016 for inclusion of the Fairness Opinion dated December 20, 2016

Building a better working world

Ernst & Young Services Limited
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21 December 2016

The Special Committee of the Board of Directors of Trinidad Cement Limited
c/o Trinidad Cement Limited
Southern Main Road
Claxton Bay
Trinidad

Consent to include Ernst & Young Services Limited's Fairness Opinion in Trinidad Cement Limited's Directors' Circular dated 23 December 2016

Dear Sirs/Mesdames

We hereby consent to the references to our firm name and to the references to our fairness opinion dated 20 December 2016, contained under the heading Item 13.2 Fairness opinion, and the inclusion of our fairness opinion letter dated 20 December 2016 as APPENDIX A to the Directors' Circular of Trinidad Cement Limited ("TCL") dated 23 December 2016.

Our fairness opinion was given as at 20 December 2016 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Special Committee of TCL shall be entitled to rely upon our opinion.

Sincerely

Zack Nadur
Director
Ernst & Young Services Limited

APPENDIX I

Trades of the last six (6) months of TCL on the TTSE – up to January 9, 2017

TradeNr	TradeDate	IssuerRef	BuyBroker	BuyCountry	SellBroker	Price	Amount	Consideration
62781	6/10/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	WS	3.50	200	700.00
62883	6/13/2016 11:22	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.43	300	1,029.00
62884	6/13/2016 11:22	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.42	200	684.00
62948	6/14/2016 11:56	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	40	136.80
62949	6/14/2016 11:56	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	13	44.46
62958	6/14/2016 12:19	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.42	9,066	31,005.72
63270	6/22/2016 9:57	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	1,101	3,765.42
63370	6/24/2016 9:39	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	357	1,220.94
63371	6/24/2016 9:39	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	2,000	6,840.00
63372	6/24/2016 9:39	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.42	4,583	15,673.86
63479	6/28/2016 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	1,000	3,420.00
63594	7/1/2016 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	2,060	7,045.20
63595	7/1/2016 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.42	503	1,720.26
63633	7/1/2016 11:31	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.42	2,497	8,539.74
63634	7/1/2016 11:31	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.42	503	1,720.26
63655	7/4/2016 10:01	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.50	2,815	9,852.50
63799	7/8/2016 11:35	TCL	JSL	TRINIDAD AND TOBAGO	RS	3.35	6,165	20,652.75
63800	7/8/2016 11:36	TCL	JSL	TRINIDAD AND TOBAGO	RS	3.35	493,835	1,654,347.25
63855	7/12/2016 9:39	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.35	650	2,177.50
63856	7/12/2016 9:39	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.35	300	1,005.00
63857	7/12/2016 9:39	TCL	JSL	TRINIDAD AND TOBAGO	FCBS	3.35	500	1,675.00
63897	7/12/2016 10:25	TCL	CS	TRINIDAD AND TOBAGO	FCBS	3.35	820	2,747.00
63898	7/12/2016 10:25	TCL	CS	TRINIDAD AND TOBAGO	BB	3.35	500	1,675.00
63899	7/12/2016 10:25	TCL	CS	TRINIDAD AND TOBAGO	CS	3.35	1,000	3,350.00
64215	7/20/2016 9:58	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.36	500	1,680.00
64216	7/20/2016 9:58	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.36	1,200	4,032.00
64217	7/20/2016 9:58	TCL	CS	TRINIDAD AND TOBAGO	RS	3.36	110	369.60
64218	7/20/2016 9:58	TCL	CS	TRINIDAD AND TOBAGO	RS	3.36	10	33.60
64223	7/20/2016 11:03	TCL	BB	TRINIDAD AND TOBAGO	RS	3.36	4,780	16,060.80
64234	7/20/2016 11:32	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.36	1,220	4,099.20
64239	7/21/2016 9:30	TCL	CS	TRINIDAD AND TOBAGO	WS	3.35	615	2,060.25
64273	7/21/2016 11:36	TCL	JSL	TRINIDAD AND TOBAGO	WS	3.35	41	137.35
64274	7/21/2016 11:36	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.36	759	2,550.24
64348	7/25/2016 9:36	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.00	24,452	73,356.00
64349	7/25/2016 9:36	TCL	CS	TRINIDAD AND TOBAGO	CS	3.00	10,000	30,000.00
64350	7/25/2016 9:36	TCL	CS	TRINIDAD AND TOBAGO	CS	3.00	10,000	30,000.00
64351	7/25/2016 9:36	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.00	3,200	9,600.00
64352	7/25/2016 9:36	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.00	948	2,844.00
64358	7/25/2016 10:51	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.00	3,000	9,000.00
64412	7/26/2016 10:22	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.00	2,000	6,000.00
64432	7/26/2016 11:40	TCL	RS	TRINIDAD AND TOBAGO	CS	3.00	327	981.00
64475	7/27/2016 10:33	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	2.99	21	62.79
64476	7/27/2016 10:33	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.00	1,665	4,995.00
64477	7/27/2016 10:33	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.00	500	1,500.00
64478	7/27/2016 10:33	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.00	1,994	5,982.00

TradeNr	TradeDate	IssuerRef	BuyBroker	BuyCountry	SellBroker	Price	Amount	Consideration
64479	7/27/2016 10:33	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.00	2,000	6,000.00
64570	7/28/2016 11:51	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.00	327	981.00
64571	7/28/2016 11:51	TCL	RS	UNITED STATES OF AMERICA	BB	3.00	76	228.00
64572	7/28/2016 11:51	TCL	JSL	TRINIDAD AND TOBAGO	BB	3.00	373	1,119.00
64730	8/5/2016 9:43	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.01	1,016	3,058.16
64731	8/5/2016 9:43	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.01	634	1,908.34
64732	8/5/2016 9:43	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.01	30	90.30
64733	8/5/2016 9:43	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.01	1,000	3,010.00
64734	8/5/2016 9:43	TCL	JSL	TRINIDAD AND TOBAGO	FCBS	3.01	627	1,887.27
64827	8/9/2016 11:55	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.00	200	600.00
64989	8/15/2016 11:57	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.05	2,709	8,262.45
64992	8/16/2016 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.05	1,291	3,937.55
64995	8/16/2016 9:32	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.04	1,300	3,952.00
65000	8/16/2016 9:48	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.04	500	1,520.00
65006	8/16/2016 9:50	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.04	500	1,520.00
65025	8/16/2016 10:51	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.04	700	2,128.00
65040	8/16/2016 11:54	TCL	JSL	TRINIDAD AND TOBAGO	BB	3.05	1,486	4,532.30
65041	8/16/2016 11:55	TCL	JSL	TRINIDAD AND TOBAGO	BB	3.05	3,470	10,583.50
65072	8/17/2016 11:02	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.05	1,000	3,050.00
65100	8/18/2016 10:19	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.04	500	1,520.00
65101	8/18/2016 10:19	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.05	1,500	4,575.00
65102	8/18/2016 10:23	TCL	WS	TRINIDAD AND TOBAGO	WS	3.04	5,357	16,285.28
65103	8/18/2016 10:23	TCL	WS	TRINIDAD AND TOBAGO	BB	3.05	4,643	14,161.15
65104	8/18/2016 10:26	TCL	JSL	TRINIDAD AND TOBAGO	BB	3.05	1,610	4,910.50
65187	8/19/2016 10:27	TCL	JSL	TRINIDAD AND TOBAGO	FCBS	3.05	1,390	4,239.50
65211	8/19/2016 12:25	TCL	RS	TRINIDAD AND TOBAGO	RS	3.05	200	610.00
65237	8/22/2016 10:42	TCL	WS	TRINIDAD AND TOBAGO	FCBS	3.05	1,252	3,818.60
65465	8/30/2016 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.06	327	1,000.62
65475	8/30/2016 9:33	TCL	FCBS	TRINIDAD AND TOBAGO	WS	3.06	2,873	8,791.38
65476	8/30/2016 9:33	TCL	WS	TRINIDAD AND TOBAGO	WS	3.05	9,127	27,837.35
65494	8/30/2016 10:06	TCL	WS	TRINIDAD AND TOBAGO	JSL	3.05	3,000	9,150.00
65495	8/30/2016 10:06	TCL	WS	TRINIDAD AND TOBAGO	JSL	3.05	578	1,762.90
65514	8/30/2016 10:45	TCL	WS	TRINIDAD AND TOBAGO	JSL	3.05	10,543	32,156.15
65515	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	10,000	30,500.00
65516	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	100,000	305,000.00
65517	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	20,000	61,000.00
65518	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	25,000	76,250.00
65519	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	20,000	61,000.00
65520	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	100,000	305,000.00
65521	8/30/2016 10:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.05	10,000	30,500.00
65554	9/1/2016 9:54	TCL	CS	TRINIDAD AND TOBAGO	CS	3.05	20	61.00
65555	9/1/2016 9:54	TCL	CS	TRINIDAD AND TOBAGO	CS	3.05	130	396.50
65556	9/1/2016 9:54	TCL	CS	TRINIDAD AND TOBAGO	CS	3.05	250	762.50
65557	9/1/2016 9:54	TCL	CS	TRINIDAD AND TOBAGO	CS	3.05	1,000	3,050.00
65558	9/1/2016 9:54	TCL	CS	TRINIDAD AND TOBAGO	CS	3.05	25,350	77,317.50

TradeNr	TradeDate	IssuerRef	BuyBroker	BuyCountry	SellBroker	Price	Amount	Consideration
65559	9/1/2016 9:55	TCL	CS	TRINIDAD AND TOBAGO	JSL	3.05	23,270	70,973.50
65579	9/2/2016 9:57	TCL	CS	TRINIDAD AND TOBAGO	JSL	3.05	5,000	15,250.00
65602	9/2/2016 11:41	TCL	RS	TRINIDAD AND TOBAGO	RS	3.04	1,100	3,344.00
65607	9/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	RS	3.04	3,027	9,202.08
65624	9/5/2016 10:54	TCL	WS	TRINIDAD AND TOBAGO	JSL	3.05	2,573	7,847.65
65657	9/6/2016 9:30	TCL	RS	TRINIDAD AND TOBAGO	JSL	3.05	56,693	172,913.65
65658	9/6/2016 9:30	TCL	RS	TRINIDAD AND TOBAGO	WS	3.05	900	2,745.00
65704	9/6/2016 11:03	TCL	FCBS	TRINIDAD AND TOBAGO	CS	3.06	25	76.50
65705	9/6/2016 11:03	TCL	RS	TRINIDAD AND TOBAGO	CS	3.05	122	372.10
65706	9/6/2016 11:03	TCL	RS	TRINIDAD AND TOBAGO	CS	3.05	50,000	152,500.00
65735	9/7/2016 11:38	TCL	JSL	TRINIDAD AND TOBAGO	CS	3.10	2,000	6,200.00
65736	9/7/2016 11:39	TCL	JSL	TRINIDAD AND TOBAGO	BB	3.10	13,500	41,850.00
65762	9/8/2016 11:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.12	67,466	210,493.92
65763	9/8/2016 11:45	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.12	619,532	1,932,939.84
65997	9/15/2016 10:03	TCL	RS	TRINIDAD AND TOBAGO	BB	3.12	413	1,288.56
65998	9/15/2016 10:03	TCL	RS	TRINIDAD AND TOBAGO	WS	3.12	1,600	4,992.00
65999	9/15/2016 10:03	TCL	RS	TRINIDAD AND TOBAGO	JSL	3.12	200	624.00
66049	9/16/2016 9:38	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.15	70	220.50
66050	9/16/2016 9:38	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.15	1,530	4,819.50
66065	9/16/2016 10:11	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.15	1,629	5,131.35
66066	9/16/2016 10:11	TCL	FCBS	TRINIDAD AND TOBAGO	RS	3.15	11,126	35,046.90
66067	9/16/2016 10:11	TCL	RS	TRINIDAD AND TOBAGO	RS	3.12	3,787	11,815.44
66100	9/16/2016 13:02	TCL	CS	TRINIDAD AND TOBAGO	CS	3.14	9,400	29,516.00
66103	9/19/2016 9:30	TCL	RS	TRINIDAD AND TOBAGO	RS	3.12	5,460	17,035.20
66268	9/22/2016 10:38	TCL	RS	TRINIDAD AND TOBAGO	FCBS	3.10	500	1,550.00
66269	9/22/2016 10:39	TCL	RS	TRINIDAD AND TOBAGO	JSL	3.12	2,500	7,800.00
66335	9/23/2016 10:49	TCL	RS	TRINIDAD AND TOBAGO	FCBS	3.10	1,250	3,875.00
66635	10/4/2016 10:43	TCL	RS	TRINIDAD AND TOBAGO	FCBS	3.25	700	2,275.00
66636	10/4/2016 10:43	TCL	RS	TRINIDAD AND TOBAGO	FCBS	3.25	1,846	5,999.50
66675	10/5/2016 10:48	TCL	CS	TRINIDAD AND TOBAGO	WS	3.24	4,000	12,960.00
66676	10/5/2016 10:48	TCL	CS	TRINIDAD AND TOBAGO	FCBS	3.25	19,639	63,826.75
66720	10/6/2016 11:26	TCL	JSL	TRINIDAD AND TOBAGO	WS	3.25	150,000	487,500.00
66721	10/6/2016 11:26	TCL	JSL	TRINIDAD AND TOBAGO	WS	3.25	142	461.50
66771	10/7/2016 10:46	TCL	BB	TRINIDAD AND TOBAGO	FCBS	3.25	300	975.00
66772	10/7/2016 10:46	TCL	BB	TRINIDAD AND TOBAGO	WS	3.50	7,000	24,500.00
66849	10/11/2016 11:19	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.50	4,000	14,000.00
66880	10/12/2016 9:42	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.50	6,000	21,000.00
66904	10/13/2016 9:58	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.50	100	350.00
67003	10/17/2016 12:15	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.50	1,759	6,156.50
67010	10/18/2016 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	BB	3.50	3,000	10,500.00
67032	10/18/2016 10:15	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.50	700	2,450.00
67033	10/18/2016 10:15	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.50	1,412	4,942.00
67034	10/18/2016 10:15	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.50	35	122.50
67035	10/18/2016 10:15	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.50	413	1,445.50
67040	10/18/2016 11:04	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.50	2,440	8,540.00

TradeNr	TradeDate	IssuerRef	BuyBroker	BuyCountry	SellBroker	Price	Amount	Consideration
67041	10/18/2016 11:05	TCL	BB	TRINIDAD AND TOBAGO	BB	3.80	20,503	77,911.40
67149	10/21/2016 10:54	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.80	503	1,911.40
67150	10/21/2016 10:54	TCL	BB	TRINIDAD AND TOBAGO	FCBS	3.99	37,000	147,630.00
67151	10/21/2016 10:54	TCL	BB	TRINIDAD AND TOBAGO	FCBS	3.99	10,000	39,900.00
67152	10/21/2016 10:54	TCL	BB	TRINIDAD AND TOBAGO	WS	4.00	34,274	137,096.00
67264	10/25/2016 11:37	TCL	WS	TRINIDAD AND TOBAGO	WS	3.98	7,898	31,434.04
67291	10/26/2016 11:13	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.95	2,010	7,939.50
67379	10/31/2016 9:51	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.52	3,654	12,862.08
67380	10/31/2016 9:52	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.52	15,000	52,800.00
67381	10/31/2016 9:52	TCL	BB	TRINIDAD AND TOBAGO	WS	3.52	6,680	23,513.60
67382	10/31/2016 9:53	TCL	BB	TRINIDAD AND TOBAGO	JSL	3.52	3,075	10,824.00
67391	10/31/2016 10:43	TCL	JSL	TRINIDAD AND TOBAGO	WS	3.45	500	1,725.00
67401	10/31/2016 12:15	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.52	2,151	7,571.52
67538	11/4/2016 9:54	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	3.39	3,159	10,709.01
67539	11/4/2016 9:54	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	3.40	641	2,179.40
68096	11/22/2016 9:41	TCL	WS	TRINIDAD AND TOBAGO	WS	3.25	4,000	13,000.00
68097	11/22/2016 9:41	TCL	RS	TRINIDAD AND TOBAGO	WS	3.25	500	1,625.00
68388	11/30/2016 10:22	TCL	JSL	TRINIDAD AND TOBAGO	WS	3.25	10,000	32,500.00
68419	11/30/2016 11:50	TCL	CS	TRINIDAD AND TOBAGO	FCBS	3.20	65	208.00
68420	11/30/2016 11:50	TCL	CS	TRINIDAD AND TOBAGO	WS	3.25	5,000	16,250.00
68421	11/30/2016 11:50	TCL	CS	TRINIDAD AND TOBAGO	BB	3.25	613	1,992.25
68422	11/30/2016 11:50	TCL	CS	TRINIDAD AND TOBAGO	BB	3.25	500	1,625.00
68423	11/30/2016 11:50	TCL	CS	TRINIDAD AND TOBAGO	WS	3.25	1,500	4,875.00
68438	11/30/2016 12:20	TCL	RS	TRINIDAD AND TOBAGO	RS	3.25	1,192	3,874.00
68459	12/1/2016 10:03	TCL	JSL	TRINIDAD AND TOBAGO	JSL	3.25	65	211.25
68460	12/1/2016 10:12	TCL	JSL	TRINIDAD AND TOBAGO	FCBS	3.39	935	3,169.65
68497	12/5/2016 9:30	TCL	JSL	TRINIDAD AND TOBAGO	RS	3.39	500	1,695.00
68498	12/5/2016 9:30	TCL	JSL	TRINIDAD AND TOBAGO	FCBS	3.39	500	1,695.00
68501	12/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	FCBS	3.39	1,565	5,305.35
68502	12/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	FCBS	3.39	11,126	37,717.14
68503	12/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	CS	3.45	71,348	246,150.60
68504	12/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	CS	3.45	2,000	6,900.00
68505	12/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	CS	3.50	25,000	87,500.00
68506	12/5/2016 9:30	TCL	WS	TRINIDAD AND TOBAGO	CS	3.50	38,961	136,363.50
68507	12/5/2016 9:30	TCL	JSL	TRINIDAD AND TOBAGO	CS	3.50	246,039	861,136.50
68508	12/5/2016 9:30	TCL	JSL	TRINIDAD AND TOBAGO	RS	3.50	8,099	28,346.50
68509	12/5/2016 9:30	TCL	JSL	TRINIDAD AND TOBAGO	BB	3.50	200,000	700,000.00
68510	12/5/2016 10:08	TCL	CS	TRINIDAD AND TOBAGO	JSL	3.88	3,000	11,640.00
68558	12/6/2016 10:33	TCL	RS	TRINIDAD AND TOBAGO	CS	4.00	1,000	4,000.00
68559	12/6/2016 10:33	TCL	RS	TRINIDAD AND TOBAGO	CS	4.00	245	980.00
68560	12/6/2016 10:33	TCL	RS	TRINIDAD AND TOBAGO	CS	4.00	500	2,000.00
68561	12/6/2016 10:33	TCL	WS	TRINIDAD AND TOBAGO	CS	4.00	5,000	20,000.00
68562	12/6/2016 10:33	TCL	WS	TRINIDAD AND TOBAGO	CS	4.00	10,000	40,000.00
68563	12/6/2016 10:33	TCL	BB	UNITED KINGDOM	CS	4.00	10,000	40,000.00
68564	12/6/2016 10:33	TCL	RS	TRINIDAD AND TOBAGO	CS	4.00	1,000	4,000.00

TradeNr	TradeDate	IssuerRef	BuyBroker	BuyCountry	SellBroker	Price	Amount	Consideration
68565	12/6/2016 10:33	TCL	CS	TRINIDAD AND TOBAGO	CS	4.00	72,255	289,020.00
68566	12/6/2016 10:38	TCL	WS	TRINIDAD AND TOBAGO	FCBS	4.01	500	2,005.00
68567	12/6/2016 10:38	TCL	FCBS	TRINIDAD AND TOBAGO	FCBS	4.01	500	2,005.00
68568	12/6/2016 10:38	TCL	WS	TRINIDAD AND TOBAGO	FCBS	4.01	23,891	95,802.91
68735	12/13/2016 10:59	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	4.08	1,000	4,080.00
68736	12/13/2016 11:00	TCL	FCBS	TRINIDAD AND TOBAGO	JSL	4.07	1,665	6,776.55
68737	12/13/2016 11:00	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.08	200	816.00
68738	12/13/2016 11:00	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.08	700	2,856.00
68739	12/13/2016 11:00	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.08	300	1,224.00
68740	12/13/2016 11:00	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.08	1,237	5,046.96
68741	12/13/2016 11:00	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.08	1,563	6,377.04
68742	12/13/2016 11:01	TCL	RS	TRINIDAD AND TOBAGO	RS	4.08	937	3,822.96
68743	12/13/2016 11:01	TCL	RS	TRINIDAD AND TOBAGO	RS	4.08	35	142.80
68763	12/14/2016 10:27	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.09	455	1,860.95
68764	12/14/2016 10:27	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.09	1,000	4,090.00
68765	12/14/2016 10:27	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.09	133	543.97
68766	12/14/2016 10:27	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.09	2,500	10,225.00
68767	12/14/2016 10:27	TCL	WS	TRINIDAD AND TOBAGO	JSL	4.08	2,000	8,160.00
68768	12/14/2016 10:27	TCL	WS	TRINIDAD AND TOBAGO	JSL	4.08	10,000	40,800.00
68769	12/14/2016 10:27	TCL	WS	TRINIDAD AND TOBAGO	JSL	4.08	25,000	102,000.00
68770	12/14/2016 10:33	TCL	BB	TRINIDAD AND TOBAGO	JSL	4.08	5,196	21,199.68
68794	12/14/2016 12:20	TCL	RS	TRINIDAD AND TOBAGO	RS	4.08	1,192	4,863.36
68797	12/15/2016 9:30	TCL	BB	TRINIDAD AND TOBAGO	RS	4.08	1,846	7,531.68
68798	12/15/2016 9:30	TCL	BB	TRINIDAD AND TOBAGO	FCBS	4.08	198	807.84
68799	12/15/2016 9:30	TCL	BB	TRINIDAD AND TOBAGO	FCBS	4.08	50	204.00
68808	12/15/2016 9:47	TCL	WS	TRINIDAD AND TOBAGO	WS	4.10	2,000	8,200.00
68841	12/16/2016 11:47	TCL	WS	TRINIDAD AND TOBAGO	CS	4.25	12,025	51,106.25
68842	12/16/2016 11:47	TCL	WS	TRINIDAD AND TOBAGO	FCBS	4.25	640	2,720.00
68843	12/16/2016 11:48	TCL	WS	TRINIDAD AND TOBAGO	CS	4.25	1,800	7,650.00
68844	12/16/2016 11:48	TCL	WS	TRINIDAD AND TOBAGO	CS	4.25	4,600	19,550.00
68920	12/20/2016 9:51	TCL	FCBS	TRINIDAD AND TOBAGO	WS	4.30	1,000	4,300.00
68921	12/20/2016 9:51	TCL	WS	TRINIDAD AND TOBAGO	WS	4.25	1,000	4,250.00
68922	12/20/2016 9:52	TCL	WS	TRINIDAD AND TOBAGO	BB	4.25	6,514	27,684.50
68944	12/20/2016 10:18	TCL	WS	TRINIDAD AND TOBAGO	CS	4.25	1,130	4,802.50
69102	12/28/2016 11:17	TCL	RS	TRINIDAD AND TOBAGO	JSL	4.30	500	2,150.00
69104	12/28/2016 11:33	TCL	RS	TRINIDAD AND TOBAGO	WS	4.30	125	537.50
69118	12/28/2016 11:49	TCL	WS	TRINIDAD AND TOBAGO	RS	4.35	245	1,065.75
69119	12/28/2016 11:49	TCL	WS	TRINIDAD AND TOBAGO	CS	4.35	6,900	30,015.00
69120	12/28/2016 11:49	TCL	WS	TRINIDAD AND TOBAGO	CS	4.35	2,450	10,657.50
69129	12/28/2016 12:46	TCL	RS	TRINIDAD AND TOBAGO	RS	4.35	1,192	5,185.20
69186	12/30/2016 10:11	TCL	RS	TRINIDAD AND TOBAGO	RS	4.40	1,000	4,400.00
69207	12/30/2016 11:46	TCL	BB	TRINIDAD AND TOBAGO	JSL	4.40	1,000	4,400.00
69209	1/3/2017 10:49	TCL	WS	TRINIDAD AND TOBAGO	JSL	4.40	1,500	6,600.00
69233	1/3/2017 11:55	TCL	RS	TRINIDAD AND TOBAGO	FCBS	4.45	6,700	29,815.00
69234	1/4/2017 9:30	TCL	FCBS	TRINIDAD AND TOBAGO	BB	4.46	220	981.20

TradeNr	TradeDate	IssuerRef	BuyBroker	BuyCountry	SellBroker	Price	Amount	Consideration
69235	1/4/2017 9:30	TCL	RS	TRINIDAD AND TOBAGO	BB	4.45	5,414	24,092.30
69247	1/4/2017 10:11	TCL	JSL	TRINIDAD AND TOBAGO	BB	4.45	12,000	53,400.00
69411	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	CS	4.52	19,500	88,140.00
69412	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	RS	4.52	10,500	47,460.00
69413	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	RS	4.52	6,199	28,019.48
69414	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	RS	4.52	13,801	62,380.52
69415	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	RS	4.52	2,398	10,838.96
69416	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	CS	4.52	10,000	45,200.00
69417	1/9/2017 9:30	TCL	WS	TRINIDAD AND TOBAGO	FCBS	4.52	12,602	56,961.04
69418	1/9/2017 9:30	TCL	CS	TRINIDAD AND TOBAGO	FCBS	4.52	30,504	137,878.08
69419	1/9/2017 9:30	TCL	CS	TRINIDAD AND TOBAGO	BB	4.52	500	2,260.00
69443	1/9/2017 11:43	TCL	JSL	TRINIDAD AND TOBAGO	JSL	4.67	15,556	72,646.52
							3,213,567	10,903,197.92

Average Share Price **3.39**

APPENDIX J

Notice of Change and Variation issued by Sierra Trading dated January 09, 2017

Building a better future

Notice of Change and Variation issued by

Sierra Trading,

an indirect subsidiary of Cemex, S.A.B. de C.V.

to Increase the Offer Price from TT$4.50 per TCL Share to TT$5.07

with an Option to receive payment in US$

(not applicable to TCL Shareholders resident in Barbados who will be paid in Bds$)

To: Holders of issued and outstanding ordinary shares of **Trinidad Cement Limited.**

This Notice of Change and Variation amends and varies the Offer and the accompanying Take-Over Bid Circular dated the 5th of December, 2016 (the "**Offer and Take-Over Bid Circular**") issued by Sierra Trading ("**Sierra**") pursuant to which Sierra is offering to acquire up to One Hundred and Thirty-Two Million, Six Hundred and Sixteen Thousand, Nine Hundred and Forty-Two (132,616,942) issued and outstanding ordinary shares (the "**Offer Shares**") in Trinidad Cement Limited ("**TCL**" or the "**Company**") subject to the terms and conditions contained in the Offer and Take-Over Bid Circular (the "**Offer**"), which, if the Offer is successful, would represent a total shareholding, together with the One Hundred and Forty-Seven Million Nine Hundred and Ninety-Four Thousand, One Hundred and Eighty-Eight (147,994,188) ordinary shares in TCL already held by Sierra, of up to 74.9% of the outstanding and issued ordinary shares of TCL, on the terms and conditions set forth in (i) the Offer and Take-Over Bid Circular and (ii) the related Letter of Acceptance (called Acceptance & Transfer Form in the case of Jamaica) included in the Offer and Take-Over Bid Circular (iii) the Addendum dated 6th December 2016 issued to TCL Shareholders in Barbados (the **"Barbados Addendum")** and (iv) Appendix 11 issued to TCL Shareholders in Jamaica (the **"Jamaican Appendix").** The documents listed at (i), (ii), (iii) and (iv) are herein collectively called the "**Offer Document**".

Except as otherwise set forth in this Notice of Change and Variation, the terms and conditions previously set forth in the Offer Document continue to be applicable in all respects, and this Notice of Change and Variation should be read in conjunction with the Offer Document. Unless the context requires otherwise, terms not defined herein have the meanings set forth in the Offer Document. The term **"Amended Offer"** means the Offer Document, as amended by this Notice of Change and Variation.

This Notice of Change and Variation is issued to take effect on the 9th January, 2017 and is made pursuant to By-Law 14 (4) of the Securities Industry (Take-Over) By-Laws of Trinidad and Tobago, and corresponding provisions under the applicable laws of Jamaica and Barbados.

This Notice of Change and Variation will be issued in Trinidad, Barbados and Jamaica and a copy delivered to the Board of Directors of TCL and filed with the Trinidad and Tobago Securities Exchange Commission ("**TT SEC**"), the Trinidad and Tobago Stock Exchange ("**TTSE**"), the Barbados Financial Services Commission, the Barbados Stock Exchange ("**BSE**"), the Financial Services Commission of Jamaica ("**FSC**") and the Jamaica Stock Exchange ("**JSE**"). This Notice of Variation has not been reviewed by any of the foregoing entities, none of which takes any responsibility for the veracity or validity of the contents of this Notice of Change and

Variation and in accordance with established practice have neither approved nor disapproved of the Amended Offer.

The form of Letter of Acceptance (called Acceptance and Transfer Form in Jamaica) attached to the Offer Document and the Currency Election Form (where applicable) attached hereto, (collectively the **"Acceptance Documents"**) should be used to effect a valid deposit of Shares.

The closing date for acceptance of the Amended Offer is 24th January, 2017 (the **"Amended Closing Date"**) and the respective terminations times (collectively the **"Termination Times")** by which acceptances must be submitted are specified in this Notice of Change and Variation.

Forms of Acceptance Documents may be obtained as follows:

- In Trinidad and Tobago - from the broker, Republic Securities Limited (**"RSL"**) 2nd Floor, Promenade Centre, 72 Independence Square, Port of Spain, Trinidad or from any Republic Bank branch in Trinidad and Tobago.
- In Barbados – from Republic Finance & Trust (Barbados) Corporation, Mezzanine Floor, Broad Street, Bridgetown, Barbados.
- In Jamaica – from JCSD Trustee Services Limited, 40 Harbour Street, Kingston Jamaica or from Sagicor Investments Jamaica Limited. Forms may also be downloaded from www.jamstockex.com

THE AMENDED OFFER

VARIATION OF CONSIDERATION

Special Note:
The variation of the Offer Document to include an option to accept payment in a currency other than Barbados currency ("Bds$") offered to TCL Shareholders shall not apply to TCL Shareholders in Barbados. In accordance with applicable laws, TCL Shareholders in Barbados are only entitled to receive the Bds$ equivalent of the Amended Offer Price.

All payments to TCL Shareholders in Barbados shall be paid in accordance with the Exchange Control Act of the laws of Barbados and all references to TCL Shareholders under this section - Variation of Consideration - relating to an option to accept payment in Trinidad and Tobago currency ("TT$"), United States currency ("US$") or Jamaican currency ("J$") shall be read and construed as excluding TCL Shareholders in Barbados.

The Offer is hereby varied to:

1. Change the consideration offered thereunder to reflect a final offer of Five Dollars and Seven Cents Trinidad and Tobago currency (TT$5.07) per Share (the **"Revised Offer Price").**

2. Permit TCL Shareholders to receive payment of the Revised Offer Price:

   (a) in the case of TCL Shareholders whose TCL Shares are listed on the TTSE, either in TT$ or in US$;
   (b) in the case of TCL Shareholders whose TCL Shares are listed on the JSE, either (i) in J$, (ii) in TT$ or (iii) in US$; and
   (c) in the case of TCL Shareholders whose TCL Shares are listed on the BSE payment will be made in the Bds$ equivalent of the Revised Offer Price at the prevailing rate of exchange as of the 5th of January, 2017, that would be approximately Bds$1.51 per TCL Share (based on the Central Bank of Barbados published counter rate).

   TT$ Option

If a TCL Shareholder elects to accept payment of the Amended Offer in TT$, he will receive Five Dollars and Seven Cents Trinidad and Tobago currency (TT$5.07), for every TCL Share taken up pursuant to the Amended Offer.

US$ Option
If a TCL Shareholder elects to accept payment of the Offer Price in US$, he will receive Seventy-Six Cents United States Currency (US$0.76) for every TCL Share taken up pursuant to the Amended Offer.

J$ Option
If a TCL Shareholder whose TCL Shares are listed on the JSE elects to accept payment of the Amended Offer Price in J$, he will receive the Jamaica currency equivalent of Five Dollars and Seven Cents Trinidad and Tobago currency (TT$5.07), for every TCL Share taken up pursuant to the Amended Offer. Such Jamaican currency equivalent will be determined based on the weighted average selling rate for one TTD in exchange for J$ on the business date immediately preceding the settlement date, as explained in the Jamaica Appendix to the Offer Document. (See Appendix 11). At the prevailing rate of exchange as of the 5th of January, 2017, that would be approximately J$96.77 per TCL Share (based on the Bank of Jamaica published counter rate).

3. Extend the Closing Date of the Offer to 24th January, 2017 (the Amended Closing Date).

Consequential amendments to the Offer to reflect this Notice of Change and Variation are deemed to be made where required.

As a result of the variation of the Offer as provided above, Sierra will have the right, following the expiry of the Amended Offer and subject to applicable law, to waive one or more of the conditions of the Amended Offer and take up and pay for any TCL Shares that have been deposited and not withdrawn.

In order to provide TCL Shareholders with an improved offer price in light of the Director's Circular which was published on 23rd December, 2016 and in order to include an additional option for TCL Shareholders to consider, Sierra has decided to offer to all TCL Shareholders the Revised Offer Price and to amend the Offer Document so that the consideration offered thereunder will incorporate an option for TCL Shareholders, other than those in Barbados, to elect whether they would like to receive payment for their TCL shares in TT$ or US$ or J$.

For the avoidance of doubt, save to the extent expressly stated herein, the Amended Offer does not amend any of the conditions detailed in paragraph 1.6 and 2.4 of the Offer Document.

Action to be taken by TCL Shareholders in Trinidad and Tobago

A TCL Shareholder desirous of accepting the Amended Offer should submit his Acceptance Documents and specify in his Currency Election Form whether he wishes to receive payment in TT$ or US$ and, if he elects to have payment made to his bank account by direct electronic transfer through the Automated Clearing House system, specify the bank account information for the relevant currency selected by him.

TCL Shareholders who have deposited their TCL Shares prior to this Notice of Change and Variation may indicate their currency settlement option by completing and submitting the Currency Election Form attached to this Notice which is also available from RSL.

Action to be taken by TCL Shareholders in Jamaica

TCL Shareholders whose TCL Shares are listed on the JSE and who have already submitted a Form of Acceptance and Transfer may change their currency settlement option by completing and submitting a Currency Election Form sent with this document. The Currency Election Form should reach the JCSD not later than ten (10) days after the Closing Date of the Offer.

TCL Shareholders whose TCL Shares are listed on the JSE and who have not yet submitted a Form of Acceptance & Transfer may complete the Acceptance Documents and submit them to JCSD Trustee Services Limited. Note that the Acceptance Documents must in any event reach JCSD Trustees Services Limited before 2.00 p.m. on the Amended Closing Date of 24th of January, 2017. If a Form of Acceptance and Transfer is submitted on or before the Closing Date then a currency election may be made no later than ten (10) days after the Amended Closing Date by delivery of a Currency Election to JCSD Trustees Service Limited.

Benefit to all TCL Shareholders

TCL Shareholders who have already submitted an Acceptance Document will automatically receive the benefit of the Revised Offer Price. TCL Shareholders, other than those in Barbados, who have already submitted an Acceptance Document and wish to be paid in US$ will need to follow the steps explained in "Action to be taken by TCL Shareholders in Trinidad and Tobago" and "Action to be taken by TCL Shareholders in Jamaica".

TIME OF PAYMENT

Sierra will, upon the terms and subject to the conditions of the Amended Offer, take up and pay for all TCL Shares deposited and not withdrawn under the Amended Offer within the period required by applicable securities law and, in any event, except as otherwise required by applicable law, not later than 10 days, i.e. 3rd February 2017, (within 14 days in the case of TCL Shares listed on the JSE, i.e. 6th February 2017, and within 30 days, i.e. 23rd February 2017, in the case of TCL Shares listed on the BSE) after the expiry of the Amended Offer if all the terms and conditions of the Amended Offer have been complied with or waived.

THE OFFER PERIOD

The Amended Offer is open for acceptance until, but not after, the respective Termination Times (as defined below) on the Amended Closing Date of 24th January, 2017.

Sierra expressly reserves the right, in its sole discretion, at any time and from time to time, while the Amended Offer is open for acceptance, or at any other time if permitted by law, to extend the period of time during which the Amended Offer is open, by giving written notice of such extension to the TCL Shareholders.

Termination Time (Trinidad & Tobago)

TCL Shares may be deposited up until 3:00 p.m. on the 24th of January, 2017 (the "**Trinidad Termination Time**"). As a result, the Amended Offer will only be open for acceptance until 3:00 p.m., local time on the Amended Closing Date.

Termination Time (Jamaica)

TCL Shares may be deposited up until 2:00 p.m. on the 24th of January, 2017 (the "**Jamaica Termination Time**") unless the Amended Offer is extended by virtue of Regulation 16 (3) of the Securities (Take-overs and Mergers) Regulations, 1999, in which event the Amended Closing Date shall mean 2.00 p.m. on the latest date at which the Amended Offer as so extended expires. As a result, the Amended Offer is open for acceptance until 2:00 p.m., local time on the Amended Closing Date, or such later time or date, if any, to which the Amended Offer may be further extended under the said Regulation 16.

Termination Time (Barbados)

TCL Shares may be deposited up until 3:00 p.m. (the **"Barbados Termination Time"**) on the 24th of January, 2017 (the Amended Closing Date) unless the Amended Offer is extended, in which event the Barbados Termination Time shall mean 3:00 p.m., local time on the Amended Closing Date, or such later time or date, if any, to which the Amended Offer may from time to time be further extended.

RIGHT TO WITHDRAW

Trinidad & Tobago

The rights of withdrawal applicable to TCL Shareholders whose shares are listed on the TTSE are set out in Appendix 1, item 3 of the Offer Document. The rights of withdrawal remain the same in the case of the Amended Offer.

Jamaica

TCL Shareholders whose TCL Shares are listed on the JSE had a right to withdraw acceptances made within seven (7) days after the Opening Date. The Offer opened on the 5th of December, 2016, and accordingly the period of withdrawal expired on the 12th of December, 2016.

Barbados

The TCL Shareholders' rights of withdrawal are set out in section 11 of the Addendum to Offer addressed to TCL Shareholders in Barbados. The rights of withdrawal remain the same in the case of the Amended Offer, except that references to the Expiry Time shall be read and construed hereafter as references to the Barbados Termination Time.

ADDITIONAL STATUTORY RIGHTS

In addition to these rights of withdrawal set out above, TCL Shareholders are entitled to statutory rights of rescission in certain circumstances. See "Offerees' Statutory Rights" set out below in this Notice of Change and Variation.

OFFEREES' STATUTORY RIGHTS

Securities legislation provides security holders of the Company with, in addition to any other rights they may have at law, rights of rescission or damages, or both, if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their jurisdiction for the particulars of those rights or consult with a lawyer.

JURISDICTION

The making of the Amended Offer to persons not resident in nor citizens of Trinidad and Tobago, Jamaica or Barbados may be affected by the laws of the relevant jurisdictions. TCL Shareholders not resident in and/or not citizens of Trinidad and Tobago, Jamaica or Barbados should inform themselves about and observe and comply with any applicable legal requirements. It is the responsibility of any such TCL Shareholder wishing to accept the Amended Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in connection therewith, including the obtaining of any governmental or other licenses, consents or approvals which may be required or the compliance with other necessary formalities.

DIRECTORS' APPROVAL

The contents of this Notice of Change and Variation have been approved, and the sending thereof to the holders of TCL Shares has been authorized by, the board of directors of Sierra.

CERTIFICATE

9th January 2017

The Offer Document and this Notice of Change and Variation contain no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Yours faithfully
For and on behalf of
Sierra Trading

By: _____
Name: Jesus Gumaro Cavazos Garza
Title: Managing Director
Dated this 9th day of January, 2017

And By: _____
Name: Juan Pelegri y Giron
Title: Managing Director
Dated this 9th day of January, 2017

And By: _____
Name: Jose Antonio Gonzalez Flores
Title: Chief Executive Officer
Dated this 9th day of January, 2017

And By: _____
Name: Francisco Javier Figueroa Zambrano
Title: Chief Financial Officer
Dated this 9th day of January, 2017

Any questions or requests for assistance may be directed to:

In Trinidad

Republic Securities Limited ("RSL")
2nd Floor, Promenade Centre
72 Independence Square Port of Spain
Tel: (868) 623-0435/6/8/9 Fax: (868) 623-0441
Email: rslinfo@republictt.com

In Jamaica

JCSD Trustee Services Limited
40 Harbour Street Kingston
Tel. (876) 976-3271
Email: robini@jamstockex.com
Email: michelle.sidar@jamstockex.com

In Barbados

Republic Finance & Trust (Barbados) Corporation
Mezzanine Floor,
Bridgetown, Broad Street,
Tel.(246) 431-1262 Ext. 4170
Email: okennedy@republicbarbados.com

Building a better future

Currency Election Form

(*For use in connection with the Offer made by Sierra Trading (A Subsidiary of Cemex, S.A.B. de C.V.) for up to 132,616,942 ordinary shares in Trinidad Cement Limited ("TCL")*)

Reference is made to the Offer and Take-Over Bid Circular dated December 5, 2016 (as amended by a Notice of Change and Variation dated December 22, 2016) (herein called "the Offer").

I/We, being a TCL shareholder(s) which have accepted the Offer (hereby elect to be paid in the currency indicated below.

☐ Trinidad and Tobago dollar (TTD)

☐ United States currency (US$)

(Please tick the box indicating your currency election.)

Date: _____

Signed: _____
Name: (*For individual*)

Signed: _____ (*Joint holder*)
Name:

(*For use by Company*)

Name of Company: _____

by: _____
Name:
Title:

APPENDIX K

Ernst & Young Services Limited's Fairness Opinion dated January 18, 2017 in relation to the Amended Offer.

Building a better working world

Ernst & Young Services Limited
P.O. Box 158
5/7 Sweet Briar Road
St. Clair, Port of Spain
Trinidad

Tel: +1 868 628 1105
Fax: +1 868 622 0918
ey.com

ZN:ph
tas

18 January 2017

The Special Committee of the Board of Directors of Trinidad Cement Limited
c/o Trinidad Cement Limited
Southern Main Road
Claxton Bay
Trinidad

Fairness Opinion in relation to the 9 January 2017 Amended Offer from Sierra Trading

Dear Sirs/Mesdames:

Introduction

On 5 December 2016, Sierra Trading ("Sierra") made an offer and takeover bid for a portion of the issued and outstanding shares of TCL (the "Offer"). The Offer was for the acquisition of up to 132,616,942 issued and outstanding ordinary TCL shares at a price of TT$4.50 (the "Offer price"). Sierra currently holds 147,994,188 TCL shares representing a shareholding position of approximately 39.5%. On 20 December 2016, EYSL issued a Fairness Opinion stating that "the Offer is not fair, from a financial point of view, to the shareholders of TCL". On 9 January 2017 the Board of Directors of TCL were presented by Sierra with an amended offer of TT$5.07 per TCL ordinary share (the "Amended Offer"). If successful, the Amended Offer could result in Sierra's shareholding increasing to a maximum of 74.9%. At a minimum, Sierra seeks to increase its shareholding to 50.01% or an additional 39,367,129 TCL shares.

Ernst & Young Services Limited ("EYSL") has been engaged effective 9 January 2017 to provide a Fairness Opinion on certain terms and conditions (the "Services") to the Special Committee of the Board of Directors of TCL ("TCL Special Committee") in relation to the Amended Offer. The purpose of EYSL's engagement is to express an opinion as to fairness or otherwise, of the Amended Offer price of TT$5.07 per share, from a financial point of view. EYSL was asked to update its prior work as of 31 December 2016.

Sierra is a wholly-owned direct subsidiary of CEMEX España, S.A, a company organized and existing under the laws of Spain and which is a 99.88% owned indirect subsidiary of Cemex, S.A.B. de C.V. ("CEMEX" of "CEMEX Group"). CEMEX is a public company organized under the laws of Mexico and is one of the largest cement and ready-mix concrete companies in the world. In April 2015, TCL and CEMEX entered into a Technical Services Agreement which involves the latter providing technical and managerial services to TCL's Group operations, its Trinidad and Tobago operations and its Jamaica operations.

The Amended Offer, we understand, is conditional in that Sierra will not be bound to purchase any shares tendered if the Amended Offer results in Sierra (together with any of its affiliates) holding less than 50.01% interest and voting rights in TCL. The Amended Offer is subject to other terms and conditions as outlined in the Sierra Circular.

Independence of EYSL

EYSL has developed this fairness opinion on the basis of an independent review and analysis of TCL (and its subsidiaries). The fairness conclusion reached is that of the valuation professionals within EYSL as well as subject matter professionals within our EY network. The fees of EYSL for this fairness opinion are not contingent in any way on the conclusions reached.

To the best of our knowledge:

- The EYSL team on this engagement do not hold, or beneficially own, any interest in TCL; and
- EYSL has not previously provided valuation services to TCL.

In future, EY may provide professional services to TCL and/or affiliates in the ordinary course of business.

EY has been providing audit services to TCL over the past thirteen (13) years. However, the EYSL professionals on this engagement have complied with EY global ring fencing policies and procedures in order to safeguard confidentiality requirements between the EYSL team on this engagement and EY's TCL audit team. No member of the EYSL team on this engagement has provided audit support services in the last three (3) years.

Scope of Review

In developing this fairness opinion, EYSL has had discussions with the management of TCL and its subsidiaries ("TCL Group"), conducted the procedures noted below, and relied on information obtained from these general procedures, among others:

Reviewed TCL's operations and financial performance

- Reviewed the terms of the Amended Offer from Sierra
- Gained an understanding of TCL Group's operating structure, operations, products and services, markets, value drivers and risks based on information provided by TCL and available from public sources
- Gained an understanding of the Technical Services Agreement ("TSA") in place between CEMEX and TCL
- Reviewed historical annual financial statements of the TCL Group (consolidated and subsidiary accounts) for the years ended December 31, 2014 and 2015 and the unaudited financial results for the twelve months ended December 31, 2016, to obtain an understanding of the cost, revenue, investment and financing structure, and the results of operations in terms of revenues, profits, and cash flows
- Conducted a review of management's FY17 to FY21 cash flow forecasts for the TCL Group based on the final Board approved FY17 budget and TCL management's forecast for FY18 to FY21
- Discussed the existence of any non-operating or redundant assets with management
- Reviewed various background materials concerning TCL Group's business

Reviewed a range of economic, investment, stock market trading, and acquisition transaction data.

Applied an Income Approach as at 31 December 2016

- Applied a discounted cash flow approach utilizing management's projections of expected cash flows for the period FY17 to FY21, and an appropriate discount rate and terminal growth rate
- Applied appropriate adjustments and professional judgment to conclude on a value using this method

Applied the Market Approach as at 31 December 2016

- Applied a market approach to the valuation of the TCL Group using valuation multiples of companies in the cement industry (estimated from public company trading data)
- Applied appropriate adjustments and professional judgment to conclude on a value using this method

Based on the above analyses formed a conclusion of the fair market value range for TCL Group and TCL shares as at the Valuation Date.

Evaluated the Amended Offer on the basis of fairness from a financial point of view to the shareholders of TCL.

Assumptions and Limitations

EYSL has relied upon the completeness, accuracy and fair presentation of all of the financial and other information obtained by it from public sources, and from TCL for purposes of developing this fairness opinion. This fairness opinion is conditional upon the completeness and accuracy of such information. Subject to the exercise of professional judgements and except as expressly described herein, we have not attempted to verify the completeness, accuracy or fair presentation of any of the information relied upon in developing this assessment of financial fairness. The attached Schedule of Limiting Conditions includes additional assumptions concerning the information reviewed.

Management of the TCL Group has represented to us that the information they provided is true and correct in all material respects as of 31 December 2016 and from that date to the date of this fairness opinion there have been no changes in facts material to the fairness conclusion.

This fairness opinion is based upon securities markets, economic, business and financial conditions as of the valuation date of 31 December 2016.

This fairness opinion has been prepared for the specific purpose identified above and is not to be used in any other context without the express written consent of EYSL. This fairness opinion is developed as of a specific date on the basis of identifiable information and EYSL has not undertaken to update it to any other date. Should information relevant to the fairness conclusions become available to EYSL subsequent to the date of our fairness opinion, EYSL reserves the right, but will be under no obligation, to revise this fairness opinion.

In completing the fairness opinion EYSL has made assumptions with respect to economic, industry, and company performance and expectations that are matters over which EYSL has no control. Specifically, EYSL has accepted management's forecast of future performance of the TCL Group as management's best estimate of the most probable course of action for the business.

Going concern business value and associated evaluations of transaction fairness are inherently and inescapably a matter of implicit or explicit perceptions of the potential future economic performance of the business under consideration and the environment in which that performance will take place. Recognizing that those perceptions are developed under conditions where neither contractual nor other bases exist to ensure that actual operating results will conform to the assumptions employed for valuation purposes, this analysis necessarily works with contingent and uncertain information and there is a corresponding degree of uncertainty in the resultant estimates of value. In some measure this uncertainty is recognized in the process of specifying the valuation results as a range. It must accordingly be recognized that EYSL does not warrant that the estimates employed in developing this fairness opinion represent commitments as to what the future performance of the businesses will be.

The fairness opinion is considered to be a reasonable evaluation on the basis of the information and assumptions upon which it is predicated and as of the time when it was developed. However, should significant deviations from these assumptions emerge in the future, the evaluation may cease to be representative.

EYSL believes that an evaluation of the fairness of the Amended Offer from a financial point of view must be considered as a whole and that selecting portions of the analysis and report without considering the other factors and analyses may create a misleading view of the evaluation process.

EYSL has not been engaged to provide and has not provided an opinion: i) as to the fairness of the Amended Offer for individual shareholders who may need advice from their own financial advisors in relation to their shareholdings in TCL; ii) as to the fairness of the process underlying the Amended Offer; iii) on the tax structure or attributes relating to the Amended Offer; iv) on the investment or strategic merit of future operations.

This fairness opinion is not to be construed as a recommendation to any director or shareholder to accept or reject the proposed Amended Offer. This fairness opinion does not provide assurance that the best possible price was or will be obtained for assets included in the Amended Offer.

Approach to the Evaluation of Fairness

In reviewing the Amended Offer in terms of fairness from a financial point of view to the shareholders of TCL, EYSL's considerations included the Amended Offer price relative to our assessment of value based on the valuation and financial review procedures described herein.

Fairness Conclusion

This fairness opinion has been prepared solely for the use by the Board of Directors, and the Special Committee of the Board of Directors of Trinidad Cement Limited; and it is only one factor amongst others that the Board of Directors of Trinidad Cement Limited will consider in forming their opinion in respect of the Amended Offer.

On the basis of our evaluation and subject to the assumptions and limitations noted herein, it is our opinion as of the date hereof that the Amended Offer, in Trinidad and Tobago dollars, is not fair, from a financial point of view, to the shareholders of TCL.

Sincerely,

Zack Nadur
Director
Ernst & Young Services Limited

Building a better working world

SCHEDULE OF LIMITING CONDITIONS

1. Ernst & Young Services Limited ("EYSL") has prepared this fairness opinion solely for the purpose stated, and it should not be used for any other purpose. In carrying out our work, we have worked solely on the instructions of our client and this fairness opinion has been prepared solely for the use by the Board of Directors, and the Special Committee of the Board of Directors of Trinidad Cement Limited. Our fairness opinion may not have considered issues relevant to third parties and EYSL shall have no responsibility whatsoever to any third party which obtains a copy of this fairness opinion. Any use such a third party may choose to make of this fairness opinion is entirely at its own risk.

2. Provision of conclusions and/or recommendations and considerations of the issues described herein are areas of valuation practice for which we believe that we have knowledge and experience. The services provided are limited to such knowledge and experience and do not represent audit, advisory or tax-related services that may otherwise be provided by EY or another Ernst & Young member firm.

3. No investigation of the title to the subject company and subject assets has been made, and the ownership claims to the subject company and subject assets are assumed to be valid. To the extent that EY's services relate to assets, properties or business interests, EY shall assume no responsibility for matters of legal description or title, and EY shall be entitled to make the following assumptions: (i) title is good and marketable, (ii) there exist no liens or encumbrances, (iii) there is full compliance with all applicable government regulations and laws (including, without limitation, zoning regulations), and (iv) all required licenses, certificates of occupancy, consents, or legislative or administrative authority from any government, private entity or organization have been or can be obtained or renewed for any use to which EY services relate.

4. The conclusions and/or recommendations contained herein are not intended to represent the values of the subject assets at any time other than the effective date that is specifically stated in this fairness opinion. Changes in market conditions could result in recommendations of value substantially different than those presented at the stated effective date. We assume no responsibility for changes in market conditions or for the inability to realize the share values stated herein.

5. No responsibility is assumed for information furnished by others (including management), and such information is believed to be reliable.

6. In the course of our analysis, we were provided with written information, oral information, and/or data in electronic form, related to the structure, operation, and financial performance of the subject company and subject assets. We have relied upon this information in our analyses and in the preparation of this fairness opinion and have not independently verified its accuracy or completeness.

7. Certain historical financial data used in our engagement were derived from unaudited financial statements and are the responsibility of management. These financial statements may not have included disclosures required by generally accepted accounting principles. We have not independently verified the accuracy or completeness of the data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.

8. The estimates of cash flow data underlying the analysis herein is solely for use in the valuation analysis. We have not performed an examination or compilation of the underlying cash flow data in accordance with standards prescribed by the professional accounting bodies, and, accordingly, do not express an opinion or offer any form of assurance on the underlying cash flow data or their underlying assumptions. Furthermore, there will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

9. Our fairness opinion assumes full compliance with all applicable federal, provincial, local, and other zoning, usage, environmental and similar laws and regulations, unless otherwise stated.

10. We assume no responsibility for any financial and tax reporting decisions, which are appropriately those of management. It is our understanding that management accepts the responsibility for any financial statement and tax reporting issues with respect to the subject assets.

11. We reserve the right (but will not be obligated) to revise this fairness opinion in light of any relevant information (that we consider material to this fairness opinion) that comes to our attention after the date of issuance.

APPENDIX L

Ernst & Young Services Limited's Valuation Report dated January 19, 2017 in support of the Fairness Opinion dated January 18, 2017.

Trinidad Cement Limited

18 January 2017

Valuation Report - Estimate of Fair Market Value of Ordinary Shares as at 31 December 2016

Abbreviations and Defined Terms

$ or TT$	Trinidad and Tobago dollars (Unless otherwise specified)
Bds$	Barbados Dollars
b	Billions
Capex	Capital Expenditure
CEMEX	CEMEX S.A. De C.V.
DCF	Discounted Cash Flow
EBIT	Earnings Before Interest & Tax
EBITDA	Earnings Before Interest Tax Depreciation & Amortization
EY	Ernst & Young Services Limited
FCF	Free Cash Flows
FY11	Fiscal year ended 31 December 2011
FY12	Fiscal year ended 31 December 2012
FY13	Fiscal year ended 31 December 2013
FY14	Fiscal year ended 31 December 2014
FY15	Fiscal year ended 31 December 2015
J$	Jamaican Dollars
k	Thousands
m	Millions
Offeror	Sierra Trading or Sierra
Rf	Risk-free Rate
Sierra Trading	Sierra
TCL	Trinidad Cement Limited
TCL Group	Trinidad Cement Limited and its subsidiaries
TEV	Total Enterprise Value
TTSE	Trinidad & Tobago Stock Exchange
US$	United States Dollar
WACC	Weighted Average Cost of Capital

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18 January 2017

The Special Committee of
the Board of Directors of Trinidad Cement Limited
c/o Trinidad Cement Limited
Southern Main Rd.
Claxton Bay
Trinidad

Trinidad Cement Limited ("TCL")
Valuation Report - Estimate of Fair Market Value of Ordinary Shares as at 31 December 2016

Dear Sirs/Mesdames:

1.0 Report Overview and Summary Conclusion

1.1 The Offer and Amended Offer

On 5 December 2016, Sierra Trading ("Sierra")[1], a wholly-owned direct subsidiary of CEMEX Espino, S.A. ("CEMEX") which currently holds 147,994,188 TCL Ordinary Shares (an equity stake of approximately 39.5%), made an offer and takeover bid for an additional portion of the issued and outstanding Ordinary Shares of Trinidad Cement Limited ("TCL shares") or (the "Offer"). The Offer was for the acquisition of a minimum of 39,367,129 TCL shares (resulting in a 50.01% total equity stake) to a maximum of 132,616,942 TCL shares (resulting in a 74.9% total equity stake) at a cash price of TT$4.50 (the "Offer price"). On 20 December 2016, Ernst & Young Services Limited ("EY") issued a Fairness Opinion stating that "the Offer is not fair, from a financial point of view, to the shareholders of TCL".

On 9 January 2017, an Amended Offer (the "Amended Offer") was presented to the TCL shareholders, increasing the cash offer price to TT$5.07 per share.

[1] Sierra is organized and exists under the laws of Spain, and in turn is a 99.88% owned indirect subsidiary of CEMEX.

The Board of Directors of TCL (the "Board") is required to issue a supplemental Director's Circular addressed to all TCL shareholders with respect to the Amended Offer in accordance with the Securities Industry (Take-Over) By-Laws, 2005. The Board appointed a Special Committee ("TCL Special Committee") in connection with this Director's Circular, and EY was engaged by the TCL Special Committee effective 9 January 2017 to provide a Fairness Opinion to the TCL Special Committee in relation to the Amended Offer. The purpose of EY's engagement was to express an opinion as to the fairness or otherwise, of the Amended Offer price of TT$5.07 per share, from a financial point of view. On 18 January 2017, EY issued a Fairness Opinion stating that "the Amended Offer of TT$5.07 is not fair, from a financial point of view, to the shareholders of TCL".

1.2 Purpose of this Report

EY has also been asked by the TCL Special Committee to provide to the TCL Special Committee an estimate of the fair market value of the Ordinary Shares of TCL as at 31 December 2016 (the "Valuation Date").

This report has been prepared to provide information for consideration by the TCL Special Committee with respect to the Amended Offer, but does not constitute a recommendation to any party as to any course of action they might take. Despite any conclusions reached herein, the circumstances of individual shareholders will determine what course of action they will take in responding to the Amended Offer.

1.3 Fair Market Value

The analysis and estimate of value set out herein have been developed with reference to the concepts of fair market value, which for purposes herein, is defined as:

> "the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts."[2]

Given that Sierra's Offer and Amended Offer is conditional on attaining a 50.01% ownership interest, and hence control, the valuation analyses herein considers the value of such control as opposed to value from a minority perspective (such as that in regards to most publicly listed shares as they would trade on an organized stock exchange).

1.4 Independence of EY

EY has developed this valuation on the basis of an independent review and analysis of the TCL Group. The conclusion reached is that of the valuation professionals within EY and wider EY network. The fees of EY for this valuation are not contingent in any way on the conclusions reached.

To the best of our knowledge the:

- EY team on this engagement does not hold, or beneficially own, any interest in TCL; and
- EY has not previously provided valuation services to TCL

In future, EY may provide professional services to TCL and/or affiliates in the ordinary course of business.

EY has been providing audit services to TCL over the past 13 years. For independence and objectivity, the EY team on this engagement has complied with EY global ring fencing policies and procedures in order to safeguard confidentiality requirements between the EY team on this engagement and EY's TCL audit team. No member of the EY team on this engagement has provided audit support services during the last three years.

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[2] Canadian Institute of Chartered Business Valuators, International Glossary of Business Valuation Terms.

1.5 Scope of Review

In developing this valuation, EY has had discussions with the Management of the TCL Group, conducted the procedures noted below as well as relied on information obtained from these general procedures, including among others:

Reviewed TCL's operations and financial performance

- Reviewed the terms of the Amended Offer from Sierra
- Gained an understanding of TCL Group's operating structure, operations, products and services, markets, value drivers and risks based on information provided by TCL and available from public sources
- Gained an understanding of the Technical Services Agreement ("TSA") in place between CEMEX and TCL
- Reviewed historical annual financial statements of the TCL Group (consolidated and subsidiary accounts) for the years ended December 31, 2014 and 2015 and the unaudited financial results for the twelve months ended December 31, 2016, to obtain an understanding of the cost, revenue, investment and financing structure, and the results of operations in terms of revenues, profits, and cash flows
- Conducted a review of Management's FY17 to FY21 cash flow forecasts for the TCL Group based on the final Board approved FY17 budget and TCL Management's forecast for FY18 to FY21
- Discussed the existence of any non-operating or redundant assets with Management
- Reviewed various background materials concerning TCL Group's business

Reviewed a range of economic, investment, stock market trading, and acquisition transaction data.

Applied an Income Approach as at 31 December 2016

- Applied a discounted cash flow approach utilizing Management's projections of expected cash flows for the period FY17 to FY21, and an appropriate discount rate and terminal growth rate
- Applied appropriate adjustments and professional judgment to conclude on a value using this method

Applied the Market Approach as at 31 December 2016

- Applied a market approach to the valuation of the TCL Group using valuation multiples of companies in the cement industry (estimated from public company trading data)
- Applied appropriate adjustments and professional judgment to conclude on a value using this method

Based on the above analyses formed a conclusion of the fair market value range for TCL Group and TCL shares as at the Valuation Date.

1.6 Assumptions and Limitations

EY has relied upon the completeness, accuracy and fair presentation of all of the financial and other information obtained by it from public sources, and from TCL for purposes of developing this valuation. The conclusions in this report are conditional upon the completeness and accuracy of such information.

Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify the completeness, accuracy or fair presentation of any of the information relied upon in developing this valuation. Our work does not constitute an audit of historical or projected financial performance and we provide no assurance in this regard.

Management of the TCL Group has represented to us that the information they provided is true and correct in all material respects as of 31 December 2016. Furthermore, based on representations from TCL's Management, EY has assumed that there are no material changes in the financial position or operating results of the TCL Group from the date of the most recently available financial statements, 31 December 2016, to the date of this report.

This valuation is based upon securities markets, economic, business and financial conditions as of the reference date of 31 December 2016.

The valuation has been prepared solely for the TCL Special Committee and is not to be used in any other context and by any other third party without the express written consent of EY. We are not responsible for any losses resulting from unauthorized or improper use of this report. The valuation herein is developed as of a specific date on the basis of identifiable information and EY has not undertaken to update it to any other date. Should information relevant to the conclusions herein become available to EY subsequent to the date of this report, EY reserves the right, but will be under no obligation, to revise this report and/or its conclusions herein.

In completing this valuation EY has made assumptions with respect to economic, industry, and future performance of the TCL Group and expectations that are matters over which EY has no control. Going concern business value is inherently and inescapably a matter of implicit or explicit perceptions of the potential future economic performance of the business to be valued and the environment in which that performance will take place. Recognizing that those perceptions are developed under conditions where neither contractual nor other bases exist to ensure that actual operating results will conform to the assumptions employed for valuation purposes, this analysis necessarily works with contingent and uncertain information and there is a corresponding degree of uncertainty in the resultant estimates of value. In some measure this uncertainty is recognized in the process of specifying the valuation results as a range. It must accordingly be recognized that EY does not warrant that the projections and estimates employed in developing these valuation amounts represent commitments as to what the future performance of the businesses will be. The values are considered to be reasonable estimates on the basis of the information and assumptions upon which they are predicated and as of the time when the estimates were developed. However, should significant deviations from these assumptions emerge in the future, the estimates may well cease to be representative of the value range expressed herein.

EY believes that its analysis for valuation purposes must be considered as a whole and that selecting portions of this analysis without considering the other factors and analyses, may create a misleading view of the valuation process and valuation results.

EY has not been engaged to provide and has not provided an opinion: i) as to the fairness of the Amended Offer for individual shareholders who may need advice from their own financial advisors in relation to their shareholdings in TCL; ii) as to the fairness of the process underlying the Amended Offer; iii) on the tax structure or attributes relating to the Amended Offer; iv) on the investment or strategic merit of future operations.

This valuation is not to be construed as a recommendation to any director or shareholder to support or reject the Amended Offer. This valuation does not provide assurance that the best possible price was or may be obtained for TCL's shares; nor at what price TCL's shares may trade in the absence of the Amended Offer, the completion of the Amended Offer, or upon expiry of the Amended Offer.

This report is subject to the Statement of Limiting Conditions set out in Appendix 4.

All amounts stated herein are in Trinidad and Tobago dollars (TT$), unless otherwise stated.

1.7 Summary Conclusion

On the basis of our review and subject to the assumptions and limitations noted herein, in our view, the fair market value of 100% of TCL's issued and outstanding Ordinary Shares, as at 31 December 2016 is in the range of approximately TT$2.09 billion to TT$2.32 billion, or TT$5.60 to TT$6.18 per Ordinary Share, or a mid-point of TT$5.89 per Ordinary Share.

The implied TEV/EBITDA multiples in respect of TT$5.60, TT$5.89 and TT$6.18, are approximately 5.5x, 5,75x and 6.0x, respectively. In this regard, we note that in its conclusion, the Deloitte report, dated 25 November 2016 (which is available to the shareholders of TCL), considers TEV/EBITDA multiples of 5.5x and 5.6x.

Our report has been prepared to provide information for consideration by the TCL Special Committee with respect to the Amended Offer, but does not constitute a recommendation to any party as to any course of action they might take. Despite any conclusions reached herein, the circumstances of individual shareholders will necessarily determine what course of action they will take in responding to the Amended Offer.

Due to the sensitivity of TCLs commercial information, forward looking data available to EY and relied upon by EY in this valuation has not been disclosed in this report.

2.0 TCL Group

2.1 General Overview

TCL was incorporated in 1951 and is based in Claxton Bay, the Republic of Trinidad and Tobago.[3] Together with its Subsidiaries, TCL manufactures and sells cement, lime, premixed concrete, and packaging materials in the Republic of Trinidad and Tobago, Jamaica, Barbados, and internationally. It offers Portland pozzolan cement, ordinary Portland cement, high sulphate resistant oilwell cement, and sulphate resistant cement. TCL also provides paper sacks, single use and reusable slings, jumbo bags, safety harnesses, and polypropylene sacks, as well as offers webbing for use in the furniture industry. In addition, it is involved in the trading of cement and related products; packaging of bulk cement; and the winning and sale of sand, gravel, and gypsum.

2.2 TCL's History

TCL commenced production in 1954 and in 1971 a marine terminal at Claxton Bay was built to load cement on ships for export markets. In 1976, TCL was purchased by the Government of The Republic of Trinidad and Tobago ("GORTT"). In 1984 a massive plant expansion was undertaken and TCL was later privatized in 1990, with the GORTT divesting its remaining shareholding in TCL in 1998.

2.3 TCL History with CEMEX

- In 1994, CEMEX acquired a 20% interest in TCL from the GORTT.
- In 2002, CEMEX launched an unsuccessful takeover bid to acquire a 100% interest in TCL.
- In 2015, CEMEX participated in a Rights Issue at a price of TT$2.90 per share and increased its shareholding in TCL from 20% to 39.5% which resulted in a recapitalization of the Company. TCL also entered into a debt restructuring. CEMEX entered into a Technical Services Agreement ("TSA") with TCL in April 2015 and appointed the Group CEO and other key executives to the TCL Group and subsidiaries.

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3 Source: Capital IQ. Accessed 17 January 2017.

2.4 Operations

The table below lists TCL and its subsidiaries along with TCL's related ownership interest.

Subsidiary	Primary Activity	Ownership
Trinidad Cement Limited (TCL)	Manufacture and sale of various types of cement.	100%
TCL Packaging Limited (TPL)	Manufacture and sale of paper sacks.	80%
TCL Ponsa Manufacturing Limited (TPM)	Manufacture and sale of slings and other products, including webbing for the furniture industry.	65%
Readymix (West Indies) Limited (RML)	Manufacture and sale of premixed concrete.	71%
Arawak Cement Company Limited (ACCL)	Manufacture and sale of cement and limestone	100%
Caribbean Cement Company Limited (CCCL)	Manufacture and sale of Cements and Gypsum materials through its subsidiaries.	74%
TCL Guyana Incorporated (TGI)	Packaging of bulk cement which is shipped from the Group's subsidiaries in Trinidad and Barbados.	80%
TCL Nevis Limited	Provides management services to the related companies and is involved in the holding of investments.	100%
TCL Trading Limited (TTL)	Trading in cement and provides export marketing support to TCL and ACCL.	100%
TCL Leasing Limited	Engaged in property ownership and leasing for the related parties.	100%

2.5 Ownership of TCL

The total issued share capital of TCL consists of 374,647,704 fully paid ordinary shares of no par value and the ownership of TCL is summarized in the table below:

TCL Shareholding Profile

Shareholder name	Number of shares	% shareholding
Sierra Trading	147,994,188	39.50%
National Insurance Board	44,671,636	11.92%
Baleno Holdings Inc.	30,750,000	8.21%
Republic Bank Limited	25,198,621	6.73%
Other shareholders	126,033,259	33.64%
Total	**374,647,704**	**100.00%**

Source: Directors' Circular dated 23 December 2016

3.0 Financial Information

3.1 Historical Operating Results of TCL

The table below highlights TCL Group's operating results for the years ended December 31, 2012 to 2015 based on audited accounts, and 2016 based on Management accounts ("FY16E") as well as selected analytical ratios.

Currency: TT$ 000	FY12A	FY13A	FY14A	FY15A	FY16E
Income statement highlights:					
Revenue	1,615,888	1,930,553	2,103,074	2,115,446	1,976,480
Expenses	1,446,465	1,522,828	1,695,229	1,526,967	1,730,901
EBITDA[1]	169,423	407,725	407,845	588,479	476,210
Profit before tax	(351,736)	33,791	(102,473)	487,494	139,281
Profit after tax	(344,527)	67,281	(211,019)	428,780	64,806
Growth and margin ratios:					
Revenue growth	4%	19%	9%	1%	-7%
EBITDA margin	10%	21%	19%	28%	24%
EBITDA growth	71%	141%	0%	44%	-19%

Source: Management information

1. EBITDA is before non-recurring adjustments

As shown above, the TCL Group's revenue grew at a compound annual growth rate (CAGR) of 9.4% between 2012 and 2015. Revenue growth was largely attributable to the increase in construction activity in Trinidad during this period coupled with increases in prices and sales volumes across some jurisdictions. EBITDA margins improved significantly, peaking at 28% in 2015 when the Group restructured, and tapered to 24% in 2016 as a result of one-off restructuring costs.

Based on FY16E Management accounts, revenue declined by $139m (7%). This we understand has been largely due to the overall decline in the Trinidad construction sector as well as increased competition in Trinidad and some of its regional markets.

TCL Group's historical profitability has been significantly affected by finance costs over the historical period (pre-restructuring) due to high leverage and the resulting interest cost. The Group returned to profitability in FY15 as a direct result of the successful debt and operational restructuring which took effect in the second quarter of that year.

Building a better working world

3.2 Historical Financial Position of TCL

The table below provides highlights of the financial position of the TCL Group as at December 31, 2012 through 2015 based on audited accounts, and 2016 based on Management accounts ("Dec16E").

Currency: TT$ 000	Dec12A	Dec13A	Dec14A	Dec15A	Dec16E
Balance sheet highlights:					
Cash & cash equivalents	43,061	57,804	96,589	288,500	185,601
Inventories	614,525	599,155	526,432	480,924	368,794
Other current assets	198,759	179,810	226,890	190,163	133,753
Total current assets	**856,345**	**836,769**	**849,911**	**959,587**	**688,148**
Property, plant and equipment	2,088,542	1,983,111	1,736,030	1,729,794	1,806,085
Other non-current assets	507,877	579,260	424,060	343,701	114,223
Total assets	**3,452,764**	**3,399,140**	**3,010,001**	**3,033,082**	**2,608,456**
Current portion of borrowings	100,557	179,279	1,848,903	189,521	196,171
Payables and accruals	536,238	500,695	510,973	519,576	478,373
Other current liabilities	40,665	18,758	16,337	402	3,344
Total current liabilities	**677,460**	**698,732**	**2,376,213**	**709,499**	**677,888**
Long term portion of borrowings	1,945,569	1,772,504	-	976,541	772,324
Pension plan liabilities	7,692	7,246	13,055	32,025	105,212
Other non-current liabilities	360,977	384,361	375,206	364,047	53,894
Total liabilities	**2,991,698**	**2,862,843**	**2,764,474**	**2,082,112**	**1,609,319**
Total equity	461,066	536,297	245,527	950,970	999,137
Total liabilities and equity	**3,452,764**	**3,399,140**	**3,010,001**	**3,033,082**	**2,608,456**

Source: Audited financials & Management accounts

TCL Group's total assets as at 31 December 2016 were approximately $2.6b, largely comprised of the Group's cement plants and equipment (PP&E) and inventories, which in aggregate accounted for 83% of total assets.

As at 31 December 2016, the most significant liability relates to the $968.5m outstanding loan under the Amended and Restated Credit Agreement. The Group's pension liability represented 7% ($105m) of total liabilities.

Net working capital (i.e. inventories, receivables and payables/accruals) was in a surplus position of approximately $136m as at 31 December 2016. Non-cash net working capital has historically been in a surplus position due to the nature of TCL's operations which reflects high levels of inventories.

3.3 2015 Debt Restructuring and TSA

The TCL Group was recapitalized in 2015 as a result of a Rights Issue of US$50m and a debt restructuring which resulted in the company receiving a TT$199.4m haircut on its principal amount of debt outstanding under a new five year loan agreement between the company and the lenders ("the Amended and Restated Credit agreement").

In addition, and pursuant to the Amended and Restated Credit agreement, the Company entered into a Technical Services Agreement (TSA) with CEMEX, S.A.B. de C. V. effective 1 May 2015 to 2018 The objective of this agreement is to provide technical and managerial assistance for TCL's Group operations through (i) restructuring its Executive Management team; (ii) strengthening and improving both its Management team and employees' capabilities; and (iii) hiring technical assistance to support the operations of the Group's trading and shipping departments. Management has attributed a significant element of TCL's turnaround in financial performance to the TSA.

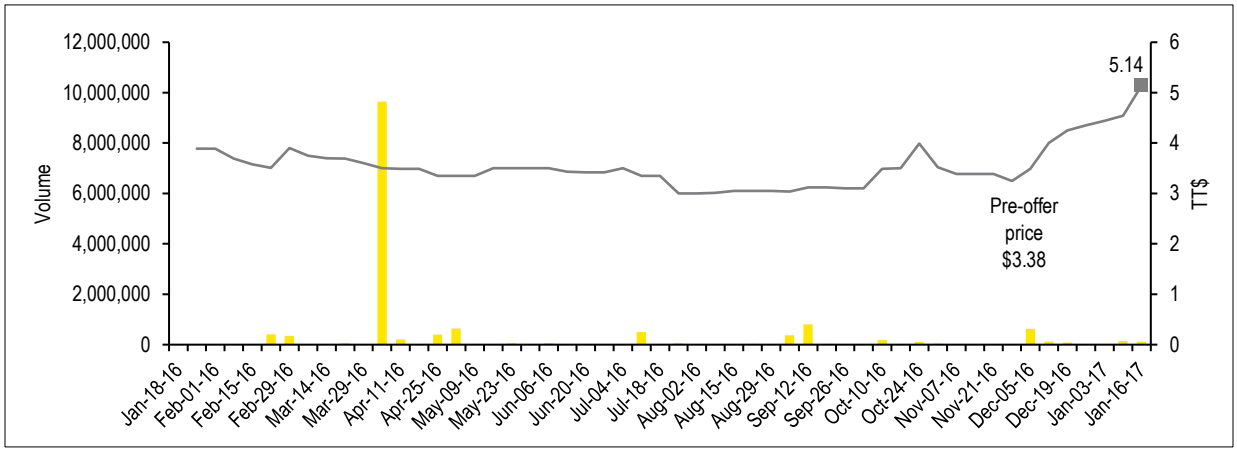
3.4 Projected Operating Results of TCL

We have reviewed detailed financial forecasts provided by Management which reflect revenue growth and cash flows largely driven by Management's assumptions related to production and volume increases, as well as the outlook for foreign exchange, inflation and other economic factors as taken into consideration by Management. As stated previously, given the sensitivity of TCLs commercial information, forward looking data has not been disclosed in this report.

3.5 Share Trading Activity

The following tables summarizes the weekly trading activity for Trinidad Cement Limited (TCL), on the TTSE for the 12 month period leading up to the date of this report:

TTSE: TCL



Although TCL also trades on the Jamaican and Barbados stock exchanges the trading volume is low and hence not summarized here.

4.0 Economic Overview

TCL's principal markets are Trinidad & Tobago, Jamaica, Barbados, and Guyana. The GDP outlook for these countries is summarized below. An economic overview of each of these countries is set out in Appendix 1.

Real GDP growth (%)	2017	2018	2019	2020	2021
Trinidad and Tobago	2.3	3.6	3.2	1.2	1.2
Jamaica	1.7	2.1	2.5	2.7	2.8
Barbados	2.3	1.7	1.5	1.2	1.2
Guyana	3.9	3.8	3.8	3.8	3.8

Source: IMF publications

5.0 Industry Overview

An outlook of the construction sector in Trinidad & Tobago, Jamaica, and Barbados is set out in Appendix 2.

6.0 Valuation Methodology

The three generally accepted approaches to valuation are commonly referred to as the income, market, and cost approaches. Although all three approaches should be considered in a valuation analysis, the fact pattern surrounding the nature of the assets or business being valued and the availability of data will dictate which approach or approaches are ultimately utilized in the analysis. Each approach to value is introduced below, and as necessary, more specifically described in our analyses herein.

6.1 Income Approach

The income approach is based upon the premise that the value of a security or asset is the present value of the future benefits available for distribution to the owners of the subject security or asset. The most common income approach used in the valuation of securities or individual assets is a discounted cash flow analysis. A discounted cash flow analysis involves forecasting the appropriate cash flow stream over an appropriate period and then discounting that stream back to present value at an appropriate discount rate.

Where applicable, the value of the asset or interest at the end of the projection period (often referred to as the "Terminal Value") is estimated using either a perpetual growth assumption (i.e., "Gordon Growth Model") or an "exit" multiple as applied to the expected earnings or cash flow level for the final year of the projection. The present value of the after-tax cash flows over the life of the asset or interest as well as the present value of the Terminal Value, as applicable, is summed to arrive at an indication of the value of the asset or interest. The discount rate utilized in the analysis should account for both the time value of money and investment risk factors.

6.2 Market Approach

The market approach measures value based on the prices other purchasers in the market have paid for assets that can be considered reasonably similar to those being valued.

The market approach consists of gathering data on the prices paid for reasonably comparable assets or interests. Adjustments are made to the comparable assets to compensate for differences between reasonably similar assets and the asset being valued. In the case of equipment, for example, adjustments might be made for capacity, accuracy or output per unit of time. The market approach yields an estimate of the price reasonably expected to be realized from the sale of the subject asset or interest.

Development of valuation multiples to be applied as a representative returns approach to value is most often a matter of considering how trading and/or transaction (acquisition) market participants have assigned values to comparable companies and businesses.

Multiples derived from comparable public companies or guideline transactions are often applied to revenue or EBITDA, which results in the valuation at the level of total enterprise value.

6.3 Cost Approach

The cost approach is based on the premise that a prudent investor would pay no more for an asset or interest than its replacement or reproduction cost. The cost to replace the asset would include the cost of constructing a similar asset of equivalent utility at prices applicable at the time of the valuation analysis. To determine the value of an asset using the cost approach, the replacement cost is determined and reduced for a factor to reflect the (i) physical deterioration, (ii) functional obsolescence, and (iii) economic obsolescence of the asset, if applicable.

6.4 Selected Valuation Methodology

Considering the nature of the business and its economic viability, we concluded that it was appropriate to value the operating assets and liabilities of the TCL Group on a going concern basis. The non-operating asset (land) was valued on a stand-alone basis based on a recent valuation provided by Management.

The selection of appropriate valuation methodologies and the value conclusions drawn after their application are matters of professional judgment.

The methodologies selected were based on consideration of the following:

- TCL is currently generating positive cash flows, which are projected to grow over the next several years based on an expectation of continued market growth. As such, the DCF method is considered directly applicable to the valuation for TCL.
- While the public markets in Trinidad &Tobago are considered less sophisticated, the cement industry is a global business with large players having global operations and supply chains. In light of this, we have considered publicly available trading information of companies considered reasonably comparable to TCL and evaluated a market approach based on TEV/EBITDA multiples.

7.0 Valuation Analysis – Income Approach

The DCF method was selected as one of two methods considered herein. Fundamentally, the DCF model converts an explicitly projected stream of cash flows (and a terminal value at the end of the projection period) that are expected to accrue to the purchaser of the business, to a present value sum that represents the enterprise value of the business at the valuation date. The discount rate employed in such determinations of the value is most often a weighted average cost of capital (described later in this report) that reflects the rate of return that must be expected from deploying funds in the business to warrant its acquisition and continuance.

7.1 DCF Analysis

We developed a DCF analysis based on Management's operating projections for the business and other items discussed below. EY reviewed the projections including capital expenditures and working capital requirements with TCL Management in the formulation of DCF assumptions. As stated previously, given the sensitivity of TCLs commercial information, forward looking data has not been disclosed in this report. On that basis, the following DCF summary analysis has been developed:

Currency: TT$m	
Enterprise value (WACC = 14.9%)	**3,047.7**
Less: Net debt	(888.1)
Equity value before minority interest	**2,159.6**
Minority interest	(316.5)
Equity value after minority interest	**1,843.1**
Add: TCL's interest in non-operating assets (land)	78.1
Adjusted Equity Value	**1,921.2**
No. of shares outstanding	374.6
Per share value	**$5.13**

The DCF analysis above indicates an equity value of TT$1.9 billion for TCL, or TT$5.13 per Ordinary Share.

7.2 Key Assumptions

Key assumptions considered in the DCF analysis include:

- Cash tax computation
- Terminal value was calculated based on cash flows in the terminal period, capitalized based on a rate equal to the discount rate less the expected long term growth rate of 1.8% based on the weighted long-term historical and expected real GDP growth rates for Trinidad, Barbados, Jamaica and Guyana.
- Net debt was deducted from enterprise value under the assumption that book value approximates fair market value. Included in net debt is interest bearing debt, the Group's pension liability, net of cash.
- The minority interest was estimated based on the equity values and resulting minority interest held across TCL's subsidiaries.
- Adjustment for a non-operating asset (land) held by a TCL subsidiary.
- Weighted average cost of capital is based on the assumptions set out in the following section.

7.3 Weighted Average Cost of Capital

The application of discounted cash flow methods requires the determination of an appropriate discount rate. Discounted cash flow methods are applied under conditions of uncertainty. In common usage, the word risk refers to any exposure to uncertainty in which the exposure has potential negative consequences. It is assumed that market participants are risk averse. A risk-averse market participant prefers situations with a narrower range of uncertainty over situations with a greater range of uncertainty relative to an expected outcome. Marketplace participants seek compensation, referred to as a risk premium, for accepting uncertainty.

The determination of the asset-specific, risk-adjusted discount rate is based on the weighted average cost of capital ("WACC"). The following formula is applied to calculate WACC:

WACC = (WE x KE) + (WD x KD)

where:

WE = value of equity ÷ value of total capital

KE = cost of equity

WD = value of interest bearing debt ÷ value of total capital

KD = after tax cost of interest bearing debt

The Capital Asset Pricing Model ("CAPM") framework has been applied to estimate the cost of equity funds while debt costs have been estimated by reference to notional TCL borrowing conditions. To estimate the cost of equity the Modified Capital Asset Pricing Model ("CAPM") was used. The CAPM postulates that the cost of equity is equal to the return on risk-free securities plus a market risk premium, plus country risk premium. The market risk premium is the systematic risk (beta) multiplied by the market price of risk (market risk premium) adjusted for the incremental country risk.

The equation for the cost of equity is as follows:

KE = RF + β * MRP + CRP

where:

KE = cost of equity

RF = risk-free rate of return

β = systematic risk of the equity

MRP = market risk premium

CRP = country risk premium

The calculation of the WACC for TCL is shown in the table below:

	Trinidad	Barbados	Jamaica	Guyana
Risk free rate	3.1%	3.1%	3.1%	3.1%
Unlevered beta	0.90	0.90	0.90	0.90
Target debt/equity	70.0%	70.0%	70.0%	70.0%
Tax rate	30.0%	15.0%	25.0%	30.0%
Re-levered beta	1.34	1.44	1.37	1.34
Equity risk premium	6.0%	6.0%	6.0%	6.0%
Country risk premium	3.1%	10.7%	9.3%	6.2%
Cost of equity	**14.2%**	**22.3%**	**20.5%**	**17.3%**
Cost of debt	8.8%	14.9%	13.7%	10.7%
Tax rate	30.0%	15.0%	25.0%	30.0%
After tax cost of debt	**6.1%**	**12.6%**	**10.3%**	**7.5%**
Debt capitalization %	41.2%	41.2%	41.2%	41.2%
Equity capitalization %	58.8%	58.8%	58.8%	58.8%
WACC	**10.9%**	**18.3%**	**16.3%**	**13.3%**
EBITDA contribution	25.9%	5.0%	67.1%	2.1%
Group WACC	**14.9%**			

As shown in the table above, a WACC of 14.9% has been selected. Inputs into the WACC computation reflect the following considerations:

- The beta selected was unlevered based on data from S&P Capital IQ for large cap cement manufacturers. The unlevered beta was then re-levered to reflect the relevant jurisdiction's tax rate and the target TCLG capital structure using the median capital structure of the industry.
- Equity risk premium of 6.0% - based on a market equity risk premium ("ERP") study performed by EY which considered a variety of factors.
- Country risk premium based on Professor Aswath Damodaran's database on Country Default and Risk Premiums.
- Risk Free Rate based on the yield to maturity as at 31 December 2016, on a 30 year US Treasury bond.
- Cost of debt based on TCL's current cost of debt plus a premium in order to compute a sustainable cost of debt. For non-Trinidad entities an incremental country risk premium was added.
- The 41% debt to total capital ratio is based on our review of public companies comparable to TCL and their capital structure.
- Other EBITDA contribution represents sales and marketing services performed for Trinidad, Barbados and Jamaica entities. EY opted to use the average WACC of these three jurisdictions in computing this proportion of WACC.
- Group WACC was based on the weighted average discount rate of each subsidiary's contribution to the TCL Group.

8.0 Valuation Analysis – Market Approach

A market approach and in particular EBITDA trading multiples (after consideration of an adjustment to the selected trading multiple) have been applied herein to FY16 Adjusted EBITDA.

8.1 Adjusted EBITDA

Currency: TT$ 000	FY16ADJ
Profit before tax as per Management accounts	**139,281**
Add: Interest expense net of interest income	106,298
Add: Depreciation	118,082
Adjusted EBITDA (including other income/expenses)	**363,661**
Adjustments for restructuring related and other non-recurring costs	210,608
Adjusted EBITDA	**574,270**

The adjustments above reflect TCLG's one-off and non-recurring expenditure categories disclosed in TCL's interim financial report, together with additional adjustment that were provided by Management, including but not limited to adjustments for overstocked items, manpower restructuring costs, non-recurring repairs and maintenance expenditure. We also considered the cost savings estimated by Management that would materialize from the restructuring exercise conducted during FY15 and FY16E.

8.2 Trading Multiples

Whilst there will be no exact comparable, we selected companies that were of a similar size and financial performance. Based on our research we identified 10 comparable companies for TCL taking the following factors into consideration:

- Total assets
- Company descriptions and operations
- Historical EBITDA margins
- Local country economic outlook

Company Name	Headquarters	Total Assets (TT$ Billion)	Revenue (TT$ Billion)	EBITDA Margin (%)	Real GDP Growth Rate	ROA (%)	Enterprise Value/EBITDA
Cemento Polpaico S.A.	Chile	1.4	1.5	10	2.6	3	9.5
Hsing Ta Cement Company Limited	Taiwan	1.8	0.9	12.4	1.9	1.5	9.9
Qatar National Cement Company	Qatar	6.3	2.1	49.9	3.1	8.2	8.0
Sungshin Cement Co., Ltd	Korea	6.2	4.1	12.4	3	1.9	6.7
Fujairah Cement Industries P.J.S.C.	United Arab Emirates	3.1	1.1	21.6	2.4	2.7	6.7
The Eastern Province Cement Company	Saudi Arabia	4.8	1.5	43.5	2.4	5.9	7.4
Adana Cimento Sanayii T.A.S.	Turkey	2	0.9	31.8	3.2	7.1	7.1
Vassiliko Cement Works Public Limited	Cyprus	2.2	0.7	40.6	2.2	5.9	6.1
Cementos Bio-Bio S.A.	Chile	5	3.1	16.3	2.6	4.4	6.2
Bolu Çimento Sanayii Anonim Sirketi	Turkey	1.4	1	40.1	3.2	15.8	5.5
Trinidad Cement Limited	Trinidad & Tobago	2.9	1.9	22.6	3	6.6	5.5

Based on the above we utilized a TEV/EBITDA unadjusted multiple of 6.9x.

8.3 Adjustment to Selected Multiple

Public equity markets in Trinidad reflect companies with a smaller float[4] and hence a lower turnover of share ownership compared to markets where there is active trading of shares. This phenomenon in turn, arguably results in lower EBITDA multiples.

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4 "Float" refers to shares that a company has issued to the public that are available for investors to trade. This figure is derived by taking a company's total outstanding shares and subtracting from it any restricted and closely-held shares.

In addition, we considered TCL's market size/structure, capital structure and operating conditions. Based on these factors and applying our experience and professional judgment, we applied a downward multiple adjustment of 20%. As such, we computed a TEV/EBITDA multiple of 5.5x (6.9x * 80%).

8.4 Market Approach – Conclusion of Value

Currency: TT$000	Trading Multiple Method
Adjusted EBITDA	**574,270**
Adjusted trading multiple	5.5 x
Enterprise Value (TT$000)	**3,169,968**
Less: Enterprise value to Equity adjustments	-888,107
Equity value	**2,281,861**
Plus: Control premium (20%)	456,372
Equity value after control premium	**2,738,233**
Less: Minority interest	-327,689
Equity value after minority interest	**2,410,544**
Add: TCL's interest in non-operating assets (land)	78,100
Adjusted Equity Value	**2,488,644**
Total # of shares	374,648
Equity value per share	**$6.64**

In the above analysis we considered a somewhat reduced control premium of 20% (reduced from a generally accepted control premium of around 30%) which reflects a balanced consideration of: (i) Management's assertion that a portion of the benefits and value that would be derived upon control have already begun to materialize via the implementation of the TSA in 2015, and (ii) CEMEX's articulation of plans for TCL is Section 10.4 of the Offer and Take Over Bid Circular dated 5 December 2016.

Other adjustments include:

- Minority interest estimated based on minority interest in EBITDA contribution from TCL's partially-owned subsidiaries.
- Non-operating asset (land) held by a TCL subsidiary.

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9.0 Conclusion of Value

In summary, the estimate of fair market value per Ordinary Share based on the income approach is TT$5.13 and that based on the market approach is TT$6.64, leading to an average of TT$5.89 per Ordinary Share. Our conclusion of the estimate of fair market value per Ordinary Share would be expressed as TT$5.60 to TT$6.18, i.e. a +/-5% range around TT$5.89.

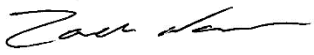
The implied TEV/EBITDA multiples in respect of TT$5.60, TT$5.89 and TT$6.18, are approximately 5.5x, 5,75x and 6.0x, respectively. In this regard, we note that in its conclusion, the Deloitte report, dated 25 November 2016 (which is available to the shareholders of TCL), considers TEV/EBITDA multiples of 5.5x and 5.6x.

Overall, on the basis of our review and subject to the assumptions and limitations noted herein, in our opinion the fair market value of 100% of TCL's issued and outstanding Ordinary Shares, as at 31 December 2016, is in the range of TT$2.09 billion to TT$2.32 billion, or TT$5.60 to TT$6.18 per Ordinary Share[5].

Our report has been prepared to provide information for consideration by the TCL Special Committee with respect to the Amended Offer, but does not constitute a recommendation to any party as to any course of action they might take. Despite any conclusions reached herein, the circumstances of individual shareholders will determine what course of action they will take in responding to the Amended Offer.

For TCL's commercial sensitivity forward looking information available to EYSL and relied upon by EYSL in this valuation has not been disclosed in this report.

Sincerely,



Zack Nadur
Director
Ernst & Young Services Limited

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5 The TCL shares traded at TT$3.38 on 1 December 2016, prior to the Offer of 5 December 2016. Relative to that price the value range above represents a premium of 66% to 83%. In our view, the quantum of premium measured in this form is not relevant and moot as TCL shares are thinly traded and hence are not efficiently priced.

Appendix 1 – Economic Overview

Trinidad and Tobago

Trinidad and Tobago's economy contracted throughout 2016 due to depressed energy commodity prices and declining hydrocarbon production rates. As a hydrocarbon dependent economy, consumption, investment and net exports declined and non-oil industries are struggling to become competitive. IMF forecasts nominal GDP levels of TT$155.3 billion in 2016 compared to $165 billion in 2015. Debt to GDP is expected to have increased to 52.7% at the end of 2016. The economy is expected to rebound in 2017 as medium-term hydrocarbon production is forecasted to improve in 2017 and WTI oil prices increase from $43.33 to $52.50 per barrel (EIA) and Henry Hub LNG gas prices increase from $2.50 to $3.30 per thousand cubic feet (Source: S&P Capital IQ). IMF forecasts nominal GDP levels of TT$162.7 billion in 2017. Unemployment is expected to rise from 3.5% in 2015 to 4% in 2019 and inflation is forecasted to rise given the decline in foreign exchange earnings, the currency impact in the energy sector, the currency distribution mechanism and Central Bank Policy. Long term growth prospects are expected to improve if efforts to support private sector growth, through labour reform, privatization efforts, establishment of strong non-banking financial sector and increasing support to medium and small sized enterprises in the non-energy sectors, proves successful.

Jamaica

Jamaica embarked on a transformation of its economy over the last three years with GDP gradually but consistently increasing to US$13.7b in 2015 and an expected accelerated growth of 1.6% in 2016 and 2.0% in 2017 (World Bank). Interest rates remain at historically low levels in order to stimulate borrowing and investment. Inflation also remains at a historic low of 1.7% mainly due to lower oil prices and transport-related services but is expected to increase slowly as the economy strengthens and the oil price rebounds. The BoJ has a target inflation rate of 4.5% to 6.5% for 2016/2017. Access to International Financial Markets has improved with an upgrading of the country's credit rating. Jamaica's major sources of revenue are from its tourism sector, remittances and bauxite industry. In 2015, Jamaica exported 5.2 million tonnes of bauxite, totaling 53.6% of the country's output. Bauxite production will remain subdued due to low aluminum prices caused by an oversupplied market.

Barbados

According to the IMF in its August 2016 report, the economy appears to have turned the corner with activity picking up. Real GDP grew by 0.8% in 2015, underpinned by an increase in private investment and a surge in tourism arrivals, which increased by 14%, among the highest in the Caribbean. This boosted employment by 2%, while the unemployment rate fell to 11.3%. Inflation eased owing to lower import prices, with end-period prices falling by 2.5%, compared with an increase of 2.3% in 2014. The external current account position improved significantly, reflecting improved terms of trade, as the deficit narrowed from 9.9% of GDP in 2014 to 6.7% in 2015, primarily reflecting lower oil and other prices. Exports of goods and services rose mainly due to higher tourism receipts. Net inflows in the capital and financial account fell, driven by large official amortization payments and lower FDI.

As a result, net international reserves dropped to US$469 million at end-April 2016 (2.8 months of imports). The FY 2015/16 budget deficit was broadly unchanged at about 7% of GDP. (Source: IMF August 2016 report).

Guyana

After robust average real GDP growth of 4.6% over the last five years, the Guyanese economy is expected to expand at a slower average rate of 3.4% over the next decade according to economists at BMI. Nominal GDP is forecasted by Oxford Economics to grow by 4.2% in 2016 and 5.9% in 2017. Contributing 8% to FY15 GDP and 50% of exports, mining sector activity has become an increasingly important driver of growth in recent years, as elevated gold prices saw a number of mines re-opened, and previously discarded projects declared economically viable. However, as gold prices slip in the years ahead, this is expected to prompt some producers in Guyana to begin to re-evaluate planned activities. The services sector is the largest component of the economy, and while growth has been fairly robust, the sector is expected to struggle to match the pace of expansion seen in recent years as the mining sector's growth slows. The retail segment is also expected to face headwinds. Even during the boom in gold production, anecdotal evidence suggests unemployment remained persistently high and joblessness is expected to rise as mining sector growth begins to plateau. The agricultural sector is poised to moderately rebound in the coming years given the expectation that global sugar prices will begin to head higher over the next half decade. This, however, will not be sufficient to offset the expected decline in the mining sector. Climate change, and the recent tendency toward more severe weather patterns, also poses risks to the sector, potentially threatening yields. Guyana's recently discovered hydrocarbons reserves offer a potential bright spot in an economy facing significant headwinds. Large reserves have already attracted the attention of multiple international oil companies, especially from the US. This is expected to be a large source of growth.

Appendix 2 – Industry Overview

Trinidad & Tobago Industry Overview

	2014	2015	2016
Nominal GDP - Construction (TT$M)	10,244	10,099	9,433
Real GDP Growth – Construction (%)	2.9	-3.7	-7.6
Domestic Production of Cement (Tonnes)	836,502	840,087	721,215
Local Sales of Cement (Tonnes)	665,971	655,997	524,279
Exports of Cement (Tonnes)	170,131	185,904	192,674

Source: CBTT

The local construction sector reported a decline in activity during 2014 to 2016 due primarily to the slowing down of Government-related projects and this negatively affected employment in the construction sector. Consequently, domestic cement production and local sales of cement also reduced during 2014 to 2016 whilst exports of cement increased during this period.

The outlook for government spending is based on the Public Sector Investment Programme ("PSIP") for 2017 with total budget of TT$5b which is TT$2b lower than the 2016 total budget. Major 2017 PSIP projects[1] include the following:

- Roads & Bridges expansion & upgrade
- Wastewater management
- Multi-Phase Wastewater Rehabilitation Programme
- Drainage, Irrigation & Coastal Protection
- Road Construction/Major Road Rehabilitation Project
- Port of Spain East/West Corridor Transportation Project
- Bridges Reconstruction Programme
- Landslip Repair Programme
- Critical Coastal Protection Programme
- Upgrade of Drainage Channels (Diego Martin & Maraval)
- Sewage system- Tobago
- Pt. Fortin Highway
- The Waller field to Manzanilla Highway
- Valencia Highway
- ANR Airport
- Wastewater Network Expansion
- Scarborough Waste Water Treatment Plant

[1] Source: 2017 Trinidad PSIP

Jamaica Industry Overview

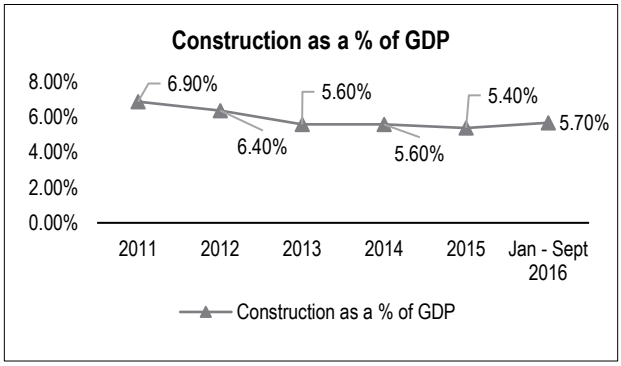
The outlook for the construction sector in Jamaica is positive as a result of initiatives to strengthen Jamaica's road and other infrastructure driven by the objective for Vision 2030 Jamaica. Major projects in 2016[2] included the North-South leg of the highway and the Blue Mountain Renewable project. Planned projects include the following:

- Integrated Community Development Project, West Kingston Jamaica
- Transhipment Hub, Portland Bight Protected Area, Goat Islands, Saint Catherine Jamaica
- Milk River Hotel and Spa Upgrade PPP Jamaica
- Specialised General Hospital, Cinnamon Hill, Rose Hall, St James Jamaica
- China Communications Construction Company Regional Headquarter, New Kingston Jamaica
- Soapberry Wastewater Treatment Plant Expansion, Saint Catherine Jamaica
- Paradise Park PV Plant, Westmoreland Jamaica
- Jamaica Public Service Company Gas Turbine Plant, Saint Catherine Jamaica
- Kingston Container Terminal Expansion Jamaica
- Kingston Container Terminal (KCT) Access Channel Dredging Project Jamaica
- Norman Manley International Airport Modernisation, Palisades Tombolo, Kingston Jamaica
- Kingston Sewer Extension Project Jamaica
- St. Andrew Sewer Extension Project Jamaica
- Riverton City Landfill Access Road Rehabilitation, St. Andrew Jamaica
- Jamaica Water Supply Improvement Project Jamaica
- Kingston Wharves Limited Total Logistics Facility Jamaica
- Port more Sewage Project, St Catherine Jamaica

[2] Source: Infrastructure BMI Database

Barbados Industry Overview

Barbados anticipates a pick-up in construction activity over the next few years primarily relating to tourism projects. Construction activity is estimated to have expanded by about 2% in 2016 compared to 2015, based on available indicators such as imports of construction materials, employment in the sector and construction projects currently underway. These are expected to support expected demand.
The competitive situation in the industry changed during late 2016 as cement was imported and distributed within Barbados by a new entrant which resulted in a price reduction of over 30%.



The Barbados Tourism Investment Inc. has estimated that over the next four years as much as US$1b will be spent on new and refurbished hotels as an additional 2,300 hotel rooms are expected to come on stream, representing a 20% increase in accommodation. Hotel construction projects have already been initiated and others are scheduled to start later this year with estimated completion dates of 2017, 2018 and 2019 (Source: Central Bank of Barbados). Hotel projects include:

- Construction on phase two of the development of Sandals resort property
- Wyndham Grand hotel
- Hyatt Centric Carlisle Bay

The increased activity in hotel construction and refurbishment is expected to stimulate the demand for construction materials as well as employment within the sector, thus contributing to growth of the economy.

Appendix 3 – Sources of data

In preparing this report we have reviewed and, to the extent relevant, relied upon the following:

1. Annual financial statements of the TCL Group (consolidated and subsidiary accounts) for the years ended December 31, 2014 and 2015
2. Unaudited interim financial results of the TCL Group for the twelve months ended December 31 2016
3. Balance sheets for the TCL Group (consolidated and subsidiary accounts) as at December 31, 2016
4. FY17 budget and cash flow forecasts for the TCL Group (consolidated and subsidiary accounts) approved by the Board
5. Management's cash flow forecast for FY18 to FY21 for the TCL Group (consolidated and subsidiary accounts)
6. Statement of non-recurring expenses and revenues
7. Statement of normalized sales and wages and certain other costs

We have also had discussions and/or corresponded with a number of TCL personnel/Management.

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Appendix 4 – Schedule of Limiting Conditions

1. This report is confidential and may be privileged. It has been prepared solely for the purpose stated, and should not be used for any other purpose. It should not be provided to any third party without the prior written consent of Ernst & Young Services Limited ("EY"). In carrying out our work, we have worked solely on the instructions of our client and this report has been drafted solely for its purposes. Our report may not have considered issues relevant to third parties and EY shall have no responsibility whatsoever to any third party which obtains a copy of this report. Any use such a third party may choose to make of this report is entirely at its own risk.

2. EY, by reason of its services hereunder, is not required to furnish additional work or services, or to give testimony, or be in attendance in court with reference to the subject assets, properties, or business interest or to update any report, recommendation, analysis, conclusion or other document relating to its services for any events or circumstances except as stipulated in the engagement letter under which this report was prepared.

3. Provision of valuation conclusions and/or recommendations and considerations of the issues described herein are areas of valuation practice for which we believe that we have knowledge and experience. The services provided are limited to such knowledge and experience and do not represent audit, advisory or tax-related services that may otherwise be provided by EY or another Ernst & Young member firm.

4. No investigation of the title to the subject company and subject assets has been made, and the ownership claims to the subject company and subject assets are assumed to be valid. To the extent that EY's services include assets, properties or business interests, EY shall assume no responsibility for matters of legal description or title, and EY shall be entitled to make the following assumptions: (i) title is good and marketable, (ii) there exist no liens or encumbrances, (iii) there is full compliance with all applicable government regulations and laws (including, without limitation, zoning regulations), and (iv) all required licenses, certificates of occupancy, consents, or legislative or administrative authority from any government, private entity or organization have been or can be obtained or renewed for any use on which EY services are to be based.

5. The value conclusions and/or recommendations contained herein are not intended to represent the values of the subject assets at any time other than the effective date that is specifically stated in this report. Changes in market conditions could result in recommendations of value substantially different than those presented at the stated effective date. We assume no responsibility for changes in market conditions or for the inability of the owner to locate a purchaser of the subject assets at the values stated herein or the price that the shares will trade at if there is no takeover bid.

6. No responsibility is assumed for information furnished by others (including Management), and such information is believed to be reliable.

7. In the course of our analysis, we were provided with written information, oral information, and/or data in electronic form (e.g., emails), related to the structure, operation, and financial performance of the subject company and subject assets. We have relied upon this information in our analyses and in the preparation of this report and have not independently verified its accuracy or completeness.

8. Certain historical financial data used in our valuation engagement were derived from unaudited financial statements and are the responsibility of Management. These financial statements may not have included disclosures required by generally accepted accounting principles. We have not independently verified the accuracy or completeness of the data provided and do not express an opinion or offer any form of assurance regarding its accuracy or completeness.

9. The estimates of cash flow data included herein are solely for use in the valuation analysis and are not intended for use as forecasts or projections of future operations. We have not performed an examination or compilation of the accompanying cash flow data in accordance with standards prescribed by the Institute of Chartered Accountants of Trinidad & Tobago, and, accordingly, do not express an opinion or offer any form of assurance on the accompanying cash flow data or their underlying assumptions. Furthermore, there will usually be differences between estimated and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

10. Our report assumes full compliance with all applicable zoning, usage, environmental and similar laws and regulations, unless otherwise stated.

11. We assume no responsibility for any financial and tax reporting decisions, which are appropriately those of Management. It is our understanding that Management accepts the responsibility for any financial statement and tax reporting issues with respect to the assets covered by our analysis, and for the ultimate use of our analysis and report.

12. We reserve the right (but will not be obligated) to revise this report in light of any relevant information that comes to our attention after the date of issuance.

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APPENDIX M

Ernst & Young Services Limited's consent letter dated January 18, 2017 for inclusion of the Fairness Opinion dated January 18, 2017; and Ernst & Young Services Limited's consent letter dated January 19, 2017 for inclusion of the Valuation Report dated January 19, 2017.

Ernst & Young Services Limited
5/7 Sweet Briar Road
St. Clair, Port-Of-Spain
Trinidad

Tel: 868 628 1105
Fax: 868 622 0918

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ZN:tr
tas

18 January 2017

The Special Committee of the Board of Directors of Trinidad Cement Limited
c/o Trinidad Cement Limited
Southern Main Road
Claxton Bay
Trinidad

Re: Consent to include Ernst & Young Services Limited's Fairness Opinion in Trinidad Cement Limited's Supplemental Directors' Circular dated 19 January 2017

Dear Sirs/Mesdames

We hereby consent to the references to our firm name and to the references to our fairness opinion dated 18 January 2017, contained under the heading Item 13 Fairness opinion, and the inclusion of our fairness opinion letter dated 18 January 2017 as APPENDIX K to the Supplemental Directors' Circular of Trinidad Cement Limited ("TCL") dated 19 January 2017.

Our fairness opinion was given as at 18 January 2017 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Special Committee of TCL shall be entitled to rely upon our opinion.

Sincerely,

Zack Nadur
Director
Ernst & Young Services Limited

Ernst & Young Services Limited
5/7 Sweet Briar Road
St. Clair, Port-Of-Spain
Trinidad

Tel: 868 628 1105
Fax: 868 622 0918

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ZN:tr
tas

19 January 2017

The Special Committee of the Board of Directors of Trinidad Cement Limited
c/o Trinidad Cement Limited
Southern Main Road
Claxton Bay
Trinidad

Re: Consent to include Ernst & Young Services Limited's Valuation Report in Trinidad Cement Limited's Supplemental Directors' Circular dated 19 January, 2017

Dear Sirs/Mesdames

We hereby consent to the references to our firm name and to the references to our valuation report dated 18 January 2017, contained under the heading Item 15 Recommending Acceptance or Rejection of Bid, and the inclusion of our Valuation Report dated 18 January 2017 as APPENDIX L to the Supplemental Directors' Circular of Trinidad Cement Limited ("TCL") dated 19 January 2017.

Our valuation report was as of 31 December 2016 is dated 18 January 2017 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, and as stated in the Valuation Report we do not intend that any person other than the Special Committee of TCL shall be entitled to rely upon our Valuation Report and its conclusion.

Sincerely,

Zack Nadur
Director
Ernst & Young Services Limited