

# **DIRECTORS' CIRCULAR**

**To the Shareholders of Berger Paints Trinidad Limited**

**recommending Acceptance of the Offer by**

**ANSA COATINGS INTERNATIONAL LIMITED**

**a wholly-owned subsidiary of**

**ANSA MCAL LIMITED**

**to purchase any and all of the issued and outstanding ordinary shares  
of**

**Berger Paints Trinidad Limited**

**(other than ordinary shares held by the Offeror  
or its Affiliates)**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES  
YOUR IMMEDIATE ATTENTION**

**IT IS RECOMMENDED THAT YOU CONSULT YOUR  
STOCKBROKER, BANK MANAGER, ATTORNEY-AT-LAW,  
ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IN  
RELATION TO THIS DOCUMENT**

# BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR

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# BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR

## INTRODUCTION

**November 16, 2017**

This Directors’ Circular is issued by the Board of Directors (“**the Board**” or “**the Directors**”) of Berger Paints Trinidad Limited (“**the Company**”) in connection with the offer (“**the Offer**”) by ANSA Coatings International Limited (“**the Offeror**”), a wholly-owned subsidiary of ANSA McAL Limited (“**ANSA McAL**”) as set out in the Offer and Take-Over Bid Circular (“**the Offer Document**”) dated November 1, 2017 to purchase any and all of the 987,827 issued and outstanding shares of the Company held by persons other than the Offeror and its Affiliates (as defined in the Offer Document) (“**the Offer Shares**”) at a cash price of TTD\$6.76 per Offer Share (“**the Offer Price**”).

This Directors’ Circular is issued in accordance with the **Securities Industry (Take-Over) By-Laws, 2005** (“**the Take-Over By-Laws**”).

It is recommended that you read the Offer Document and this Directors’ Circular carefully and that you consult your stockbroker, bank manager, attorney-at-law, accountant or other professional adviser.

## BACKGROUND INFORMATION

The Offeror is an international business company incorporated under the laws of St. Lucia and is a wholly-owned subsidiary of ANSA McAL. The Offeror is a holding company which holds the shares and trademarks for the Berger Paint entities in the Caribbean. ANSA McAL is a company incorporated under the laws of Trinidad and Tobago and is registered as a reporting issuer under the **Securities Act, Chap. 83:02** (“**the Securities Act**”).

ANSA McAL is the ultimate parent company of the ANSA McAL Group which is a diversified group of companies engaged in trading and distribution, manufacturing, packaging and brewing, insurance and financial services and the media and service industries. ANSA McAL and its Affiliates operate in Trinidad and Tobago, Barbados, Guyana, Jamaica, St. Kitts & Nevis, Grenada and the wider Caribbean, as well as the United States of America.

## **BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR**

The Company is incorporated under the laws of the Republic of Trinidad and Tobago and is in the business of manufacturing and distributing industrial, residential and special purpose paint, coatings and accessories. The Company is authorised to issue an unlimited number of ordinary shares. As at the date of this Directors’ Circular, Five Million One Hundred and Sixty-One Thousand Four Hundred and Forty-Four (5,161,144) ordinary shares of the Company are issued and outstanding (“**the Shares**”). The Company, as a publicly-listed company on the Trinidad and Tobago Stock Exchange (“**the TTSE**”), is a reporting issuer under the **Securities Act**.

On July 24, 2017, the Offeror acquired 100 per cent of the shareholding of Lewis Berger (Overseas Holdings) Limited (“**LBOH**”) which was at that time, and still is, the registered holder of Three Million Six Hundred and Thirteen Thousand and Eleven (3,613,011) of the Shares, representing approximately 70 per cent of the issued and outstanding share capital of the Company. Further, on July 31, 2017, the Offeror acquired Five Hundred Thousand (500,000) of the Shares from Chan Ramlal Limited, representing 9.69 per cent of the issued and outstanding share capital of the Company.

As a consequence of the above acquisitions, the Offeror exercises control and direction over Three Million Six Hundred and Thirteen Thousand and Eleven (3,613,011) of the Shares and is the registered holder of Five Hundred Thousand (500,000) of the Shares. With such shareholding, together with the Sixty Thousand Six Hundred and Six (60,606) Shares owned by Sissons Paints Limited (an ANSA McAL subsidiary), ANSA McAL exercises control and direction over approximately 80.86 per cent of the issued and outstanding share capital of the Company.

In accordance with the Offer Document, the Offer is being made by the Offeror to acquire any and all of the Offer Shares at the stated cash price of TTD\$6.76 per Offer Share. The Offer opened on November 1, 2017 and will expire at 4:00 pm on December 6, 2017.

### **RECOMMENDATION**

At a meeting of the Board held on November 15, 2017, a response by the Directors to the Offer was discussed. Shareholders are advised that those Directors of the Company who were elected by ANSA McAL (being Messrs. Ray A. Sumairsingh, Andy Mahadeo and Aneal Maharaj) were not present at the meeting of the Directors at which the response by the Directors to the Offer was discussed and they did not participate in the deliberations of the

## BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR

Directors as to whether or not the Directors should recommend acceptance of the Offer to holders of the Offer Shares.

The remaining Directors of the Company were the only ones present at the said meeting and were the only ones who participated in the deliberations as to whether or not acceptance of the Offer by holders of the Offer Shares should be recommended. These Directors are Messrs. John Andrews, Bernard Mark Clarke, Warren McDonald and Ms. Omawatie Birbal.

**THE DIRECTORS RECOMMEND THAT THE OFFER MADE BY THE OFFEROR BE ACCEPTED BY HOLDERS OF THE OFFER SHARES AND THAT THE HOLDERS OF OFFER SHARES TENDER THEIR SHARES IN RESPONSE TO THE OFFER.**

### REASONS FOR RECOMMENDATION

In reaching their decision to recommend acceptance of the Offer as set out above, the Directors considered a number of factors. The reasons for their recommendation are as follows:-

**1) Fairness Opinion**

The Directors considered the fairness opinion dated November 15, 2017 (“**the Fairness Opinion**”) of PricewaterhouseCoopers Advisory Services Limited (“**the Adviser**”), the financial adviser to the Directors. The Fairness Opinion states that the Offer is considered to be fair, from a financial point of view, to the holders of the Offer Shares (referred to in the Fairness Opinion as “the minority shareholders”). The term “fair” for the purposes of the Fairness Opinion has been defined therein.

## **BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR**

This Fairness Opinion, among other things, contains an overview of the Offer, the approach adopted and the key assumptions underlying the conclusion.

The scope of the Fairness Opinion included gaining an understanding of the basis of the Offer and performing various valuation analyses of the Offer Shares.

The Fairness Opinion which is annexed hereto and incorporated herein by reference should be read in its entirety, inclusive of all appendices.

### **2) The Market Price and Market Trends of the Offer Shares on the TTSE**

The Directors compared the market price of the Shares on the TTSE at the time of their deliberations of TTD\$4.05 per Share with the Offer Price of TTD\$6.76 and noted that the later represented a premium of 66% above the said market price.

In November 2016, the Shares traded at TTD\$4.06 per Share, which moved down to TTD\$4.05 per Share in February 2017, where the trading price has stayed up to the date of the Directors’ deliberations. Accordingly, the Directors have taken into account the fact that the trading price of the Shares has been fairly stagnant and noted further that there is no expectation that the same will increase in the near future.

Further, the Directors considered that over the past twelve (12) months the Shares have not been heavily traded on the market, the highest volume of trading having been in July 2017 at the time that the Offeror acquired the shareholding of Chan Ramlal Limited. The Directors also noted that the consideration for this acquisition was TTD\$6.76 per Share, identical to the Offer Price. Such consideration was therefore acceptable to the second largest shareholder of the Company.

### **3) Financial Performance of the Company**

As in the case of the latest published financial results of the Company, being the Unaudited Financial Statements for the Six Months ended September 30, 2017 (“**the Latest Unaudited Financial Statements**”), which reported a loss for the period, the Directors considered that a loss is also expected at the end of the next financial year. Consequently, where this expectation is realised, it is unlikely that shareholders will receive dividends. Over the past three (3) years, dividend payments have been low and have trended down. Dividends declared and paid were \$0.08 for the year ended March 2015, \$0.05 for the year ended March 2016 and nil for the year ended March 2017.

# BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR

## 4) Strategic Direction and Future Outlook

The Directors took account of the fact that ANSA McAL exercises control and direction over approximately 80.86 per cent of the issued and outstanding share capital of the Company. Consequently, the remaining shareholders will, in effect, have limited power to challenge any decisions of the Offeror and its Affiliates. Further, where the Offeror, pursuant to the Offer, acquires 90 per cent of the Offer Shares, there are statutory provisions which empower the Offeror to acquire the Shares of those shareholders who do not accept the Offer.

## **ACTION TO BE TAKEN BY SHAREHOLDERS**

Should you decide to accept the Offer, you should sign either:

- a) the Form of Acceptance, where your Offer Shares are immobilised, that is, deposited with the Trinidad and Tobago Central Depository Limited (“**TTCD**”); or
- b) The Form of Acceptance and the Share Transfer Form transferring your Offer Shares into the name of the TTCD, where your shares are certificated.

The Form of Acceptance and Share Transfer Form as well as full particulars of the procedure for acceptance of the Offer are contained in the Offer Document.

The relevant documents are to be submitted to Caribbean Stockbrokers Limited, the broker-dealer appointed by the Offeror, at its address set out in the Offer Document.

Should you decide not to accept the Offer, there is no action to be taken.

## **FINANCIAL STATEMENTS OF THE COMPANY**

Included with this Directors’ Circular are the Latest Unaudited Financial Statements which were approved for release by the Board on October 24, 2017 and which were subsequently released on November 10, 2017.

## BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR

Shareholders are reminded that Audited Financial Statements for the Company for the year ended March 31, 2017 were made available to shareholders on July 17 of this year in anticipation of the Company’s Annual Meeting which was convened on July 27, 2017.

### OWNERSHIP OF SHARES OF THE COMPANY

#### SHARES IN THE COMPANY OWNED OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED BY THE DIRECTORS AS AT NOVEMBER 16, 2017

DIRECTORS	SHAREHOLDING
JOHN ANDREWS	NIL
BERNARD MARK CLARKE	NIL
WARREN MCDONALD	NIL
OMAWATIE BIRBAL	NIL
RAY A. SUMAIRSINGH	NIL
ANDY MAHADEO	NIL
ANEAL MAHARAJ	NIL

#### SHARES IN THE COMPANY OWNED OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED BY THE SENIOR OFFICERS AS AT NOVEMBER 16, 2017

SENIOR OFFICERS	SHAREHOLDING
OMAWATIE BIRBAL	NIL
SHEENA BALKARAN	NIL

As can be seen from the above, no Shares are beneficially owned, directly or indirectly, nor is control or direction exercised over any Shares by any Director or senior officer of the Company (“**Senior Officer**”), or, to the knowledge of the Directors and Senior Officers after reasonable enquiry, by any associate of a Director or Senior Officer or by any person acting jointly or in concert with the Company.

Except for the ownership by LBOH of Three Million Six Hundred and Thirteen Thousand and Eleven (3,613,011) of the Shares, representing approximately seventy per cent of the issued and outstanding Shares, as at the date of this Directors’ Circular, no other Shares are beneficially owned, directly or indirectly, nor is control or direction exercised over any other Shares by any person holding more than ten per cent of the Shares, to the knowledge of the Directors and Senior Officers after reasonable enquiry.



# BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR

Note that as LBOH is an Affiliate of the Offeror, its shareholding in the Company is excluded from the Offer.

## OWNERSHIP OF SHARES IN THE OFFEROR

### SHARES IN THE OFFEROR OWNED OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED BY THE DIRECTORS AS OF NOVEMBER 16, 2017

<b>DIRECTORS</b>	<b>SHAREHOLDING</b>
JOHN ANDREWS	NIL
BERNARD MARK CLARKE	NIL
WARREN MCDONALD	NIL
OMAWATIE BIRBAL	NIL
RAY A. SUMAIRSINGH	NIL
ANDY MAHADEO	NIL
ANEAL MAHARAJ	NIL

### SHARES IN THE OFFEROR OWNED OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED BY THE SENIOR OFFICERS AS AT NOVEMBER 16, 2017

<b>SENIOR OFFICERS</b>	<b>SHAREHOLDING</b>
OMAWATIE BIRBAL	NIL
SHEENA BALKARAN	NIL

As can be seen from the above, no shares in the Offeror are beneficially owned, directly or indirectly, nor is control or direction exercised over any shares in the Offeror by the Company or by any Director or Senior Officer, or, to the knowledge of the Directors and Senior Officers after reasonable enquiry, by any associate of a Director or Senior Officer or any person acting jointly or in concert with the Company.

Further, no shares in the Offeror are beneficially owned, directly or indirectly, nor is control or direction exercised over any shares in the Offeror by any person holding more than ten per cent of the Shares, to the knowledge of the Directors and Senior Officers after reasonable enquiry.

## **BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR**

### **RELATIONSHIP BETWEEN THE OFFEROR AND THE DIRECTORS AND SENIOR OFFICERS OF THE COMPANY**

No arrangement, agreement, commitment or understanding has been made or is proposed to be made between the Offeror and any of the Directors or Senior Officers.

Messrs. Ray A. Sumairsingh, Andy Mahadeo and Aneal Maharaj who are Directors are also directors of both the Offeror and LBOH, a subsidiary of the Offeror.

Additionally, Messrs. Ray A. Sumairsingh, Andy Mahadeo and Aneal Maharaj are also directors of Berger Paints Jamaica Limited and Berger Paints Barbados Limited which are both subsidiaries of LBOH.

None of the Directors or Senior Officers is a senior officer of the Offeror or a senior officer of any subsidiary of the Offeror.

### **AGREEMENT BETWEEN THE COMPANY AND OFFICERS AND DIRECTORS**

No arrangement, agreement, commitment or understanding has been made or is proposed to be made between the Company and any of the Directors or Senior Officers 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 Offer is successful.

### **INTERESTS OF DIRECTORS AND SENIOR OFFICERS IN MATERIAL CONTRACTS OF THE OFFEROR**

No Director or Senior Officer of the Company or their associates, or, to the knowledge of such Directors or Senior Officers after reasonable enquiry, any person who owns more than ten per cent of the Shares, has any interest in any material contract to which the Offeror is a party.

# **BERGER PAINTS TRINIDAD LIMITED – DIRECTORS’ CIRCULAR**

## **TRADING BY DIRECTORS AND OFFICERS**

Neither the Company nor any of the Directors or Senior Officers, nor, to the knowledge of such Directors or Senior Officers after reasonable inquiry, any of the associates of such Directors or Senior Officers, any person holding more than ten per cent of the Shares or any person acting jointly or in concert with the Company, has traded in any Shares during the six-month period preceding the date of this Directors’ Circular.

No Shares or securities convertible into Shares have been issued to the Directors and Senior Officers during the two-year period preceding the date of this Directors’ Circular.

## **MATERIAL CHANGES IN THE AFFAIRS OF THE COMPANY**

The Directors and Senior Officers are not aware of any information that indicate any material change in the affairs of the Company since the date of the last published interim financial statements for the Company, being the Latest Unaudited Financial Statements, except as described herein.

## **STATUTORY RIGHTS**

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

## **DIRECTORS’ APPROVAL**

The Directors have approved the contents of this Directors’ Circular and have authorised its delivery to the Company’s shareholders.

# BERGER PAINTS TRINIDAD LIMITED – DIRECTORS' CIRCULAR

## CERTIFICATE

The foregoing contains 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.

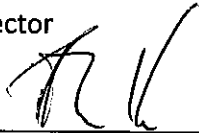
On behalf of the Board of Directors

**Berger Paints Trinidad Limited**



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John Andrews  
Director



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Bernard Mark Clarke  
Director



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Omawatie Birbal  
Director

# BERGER

## BERGER PAINTS TRINIDAD LTD. UNAUDITED FINANCIAL STATEMENTS SIX MONTHS ENDED SEPTEMBER 30, 2017.

## APPENDIX 1

The unaudited results of the company for the six months ended September 30, 2017 with comparative figures for the corresponding period of the previous year and the audited figures for the financial year ended March 31, 2017 are shown below.

### CHAIRMAN'S REVIEW

The country continues to experience decline and the Minister of Finance in his recent budget statement on October 4, 2017 was forced to make adjustments in government expenditure and sought to increase revenue through taxation. As a consequence, these measures negatively affected the buying power of citizens. Despite this, Berger continues to provide a quality product to ensure maintenance of our tag line "for lasting beauty and protection".

Recent change in majority ownership has promoted a mandatory offer being made by Ansa Mo AI Limited for minority shareholdings and this offer was published on November 1, 2017 and will close on December 6, 2017.

John P. Andrews,  
Chairman



### STATEMENT OF OTHER COMPREHENSIVE INCOME

	6 months to 9/30/2017 \$'000	6 months to 9/30/2016 \$'000	12 months to 3/31/2017 \$'000
Result after taxation	(1,597)	(2,578)	(3,683)
Other comprehensive income / (loss)	-	-	2,227
<b>Total Comprehensive Loss</b>	<b>(1,597)</b>	<b>(2,578)</b>	<b>(1,456)</b>
Attributable to:			
Equity holders of the Company	(1,118)	(1,805)	(1,028)
Minority interest	(479)	(773)	(440)
	<b>(1,597)</b>	<b>(2,578)</b>	<b>(1,456)</b>

### STATEMENT OF INCOME

	6 months to 9/30/2017 \$'000	6 months to 9/30/2016 \$'000	12 months to 3/31/2017 \$'000
Revenues	21,238	22,825	48,090
Expenses	(22,459)	(25,333)	(48,496)
<b>Results From Operations</b>	<b>(1,221)</b>	<b>(2,508)</b>	<b>(2,406)</b>
Finance expense	(591)	(682)	(1,208)
Other income	3	28	154
<b>Result Before Taxation</b>	<b>(1,809)</b>	<b>(3,164)</b>	<b>(3,461)</b>
Taxation	212	586	(232)
<b>Result For The Period</b>	<b>(1,597)</b>	<b>(2,578)</b>	<b>(3,693)</b>
Attributable to:			
Equity holders of the Company	(1,118)	(1,805)	(2,585)
Minority interest	(479)	(773)	(1,108)
	<b>(1,597)</b>	<b>(2,578)</b>	<b>(3,693)</b>
Earnings per share for result attributable to the			
equity holders of the Company (expressed in \$ per share)	(0.31)	(0.58)	(0.72)
Basic	(0.31)	(0.50)	(0.72)

### STATEMENT OF CASH FLOWS

	9/30/2017 \$'000	9/30/2016 \$'000
<b>Result for the year after taxation</b>	<b>(1,597)</b>	<b>(2,578)</b>
Interest	443	-
Depreciation	487	446
Group Service Fee	586	632
	(81)	(1,500)
<b>Movement in working capital:</b>		
Increase in trade and other receivables	(1,353)	(789)
(increase)/decrease in inventories	(287)	3,341
Increase/(decrease) in trade & payables	1,761	(2,653)
<b>Net cash outflow from operating activities</b>	<b>40</b>	<b>(1,781)</b>
Purchase of property, plant & equipment	(142)	(776)
<b>Net cash outflow from investing activities</b>	<b>(142)</b>	<b>(776)</b>
Borrowings	(325)	1,822
Dividend Paid	-	(258)
Service Fee Paid	(525)	(732)
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(850)</b>	<b>832</b>
<b>Decrease in Cash &amp; Bank Overdrafts</b>	<b>(852)</b>	<b>(1,629)</b>
<b>Cash &amp; Bank Overdrafts:</b>		
At start of the period	13,342	13,439
Decrease for the period	(852)	(1,629)
At end of the period	12,390	11,814
Represented by:		
Cash	20,505	18,438
Bank overdraft	(8,115)	(4,624)
	<b>12,390</b>	<b>11,814</b>

### STATEMENT OF FINANCIAL POSITION

	UNAUDITED		AUDITED
	6 months to 9/30/2017 \$'000	6 months to 9/30/2016 \$'000	12 months to 3/31/2017 \$'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant & equipment	6,044	6,056	6,388
Deferred Taxation	-	314	-
Retirement Benefit Asset	108	-	121
	<b>6,152</b>	<b>6,370</b>	<b>6,509</b>
<b>Current Assets</b>			
Inventories	12,571	11,621	12,284
Trade & Other Debtors	13,538	14,343	12,185
Cash	20,505	16,438	21,896
	<b>46,614</b>	<b>42,402</b>	<b>46,365</b>
<b>TOTAL ASSETS</b>	<b>52,766</b>	<b>48,372</b>	<b>52,874</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share Capital	5,905	5,905	5,905
Revaluation Reserve	1,776	1,061	1,776
Retained Profits	17,418	17,738	19,015
	<b>25,099</b>	<b>25,604</b>	<b>26,696</b>
<b>Non-current Liabilities</b>			
Finance Lease obligations	228	-	231
Deferred Income	-	10	-
Deferred Taxation	844	-	1,048
	<b>872</b>	<b>10</b>	<b>1,279</b>
<b>Current Liabilities</b>			
Trade & Other Creditors	10,829	6,250	8,618
Bank overdraft	8,115	4,624	7,901
Current portion of finance lease obligations	44	332	69
Taxation provision	124	96	108
Short Term Loan	1,610	3,061	2,121
Intercompany Loans Payables	6,073	6,678	6,073
Retirement Benefit Liability	-	2,727	-
	<b>28,795</b>	<b>23,760</b>	<b>24,880</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>52,766</b>	<b>48,372</b>	<b>52,874</b>

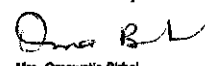
### STATEMENT OF CHANGES IN EQUITY

	Share Capital	Revaluation Reserve	Retained Earnings	Total
Balance at March 31, 2017	5,905	1,776	19,015	26,696
Net Result to September 2017	-	-	(1,597)	(1,597)
Dividend Paid	-	-	-	-
<b>Balance at September 30, 2017</b>	<b>5,905</b>	<b>1,776</b>	<b>17,418</b>	<b>25,099</b>

### SIGNIFICANT ACCOUNTING POLICIES

These interim condensed financial statements are prepared in accordance with International Financial Reporting Standards and in accordance with the Accounting policies used to prepare the audited Financial Statements for the period ended March 31, 2017.

  
Mr. John Andrews  
Director

  
Mrs. Omawatie Birbal  
Director/Secretary

**APPENDIX 2**

**REPORT OF THE COMPANY'S ACCOUNTANT IN RESPECT**  
**OF THE UNAUDITED FINANCIAL STATEMENTS.**

November 15, 2017

**The Board of Directors,  
Berger Paints Trinidad Limited,  
11 Concessions Road,  
Sea Lots,  
PORT OF SPAIN.**

**Re: Unaudited Financial Statements of Berger Paints Trinidad Limited for the Six Months ended September 30, 2017.**

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I, Sheena Balkaran, Accountant of Berger Paints Trinidad Limited ("the Company") hereby confirm that the Unaudited Financial Statements of the Company for the Six Months ended September 30, 2017 included in this Directors' Circular fairly present the financial position of the Company and the results of its operations for the period in question.

Yours truly,



**Sheena Balkaran**  
Accountant,  
BERGER PAINTS TRINIDAD LIMITED.

**APPENDIX 3**

**FAIRNESS OPINION OF FINANCIAL ADVISOR**



Board of Directors  
Berger Paints Trinidad Limited  
11 Concession Road  
Sea Lots  
Port of Spain

15 November 2017

***Fairness opinion regarding ANSA Coatings International Limited offer dated 1 November 2017***

Dear Sirs,

We understand that on 16 July 2017, ANSA Coatings International Ltd (“ACI/ the Offeror”) entered into two sale and purchase agreements for the following:

- 100% of the issued shares of Lewis Berger Overseas Holdings Ltd (“LBOH”), which held 3,613,011 shares in BPTL (representing approximately 70% of Berger Paints Trinidad Ltd (“BPTL”) issued shares). The share transfer was effected on 24 July 2017.
- 500,000 shares in BPTL held by Chan Ramlal Ltd (representing 9.69%). The share transfer was effected on 31 July 2017.

Prior to the acquisitions, via a related company, Sissons Paints Ltd, ACI indirectly held 1.17% of the shares of BPTL, and so upon completion of these sale and purchase agreements ACI owned 80.86% of BPTL. In accordance with the Securities Industry (Take-Over) By –laws, on 1 November 2017, ACI issued an offer to acquire the 987,827 shares held by the remaining minority shareholders at a cash price of \$6.76 per share (“the Offer”).

PricewaterhouseCoopers Advisory Services Ltd (“PwC”) was engaged by BPTL (on behalf of the board of directors) on 1 September 2017 to provide a Fairness Opinion as to whether the Offer is fair, from a financial point of view, to the remaining minority shareholders of BPTL as at 15 November 2017 (the “Opinion Date”). We understand that our Fairness Opinion will be for the use of the board of directors and will be one factor, among others, that the board of directors will consider in making any recommendation in respect of the Offer.

The Directors’ Circular will be distributed to the shareholders in accordance with all applicable laws, and the disclosure in the Directors’ Circular will be accurate, in all material respects, and will comply, in all material respects, with the requirements of all applicable laws. PwC consents to the reference or inclusion of this Fairness Opinion in BPTL’s Directors’ Circular and to any relevant regulatory authorities required in connection with the Offer.

Our Fairness Opinion should not be relied upon by any other party or for any other purpose. Any recipient of our Fairness Opinion acknowledges the restrictions on its use and circulation. We do not accept any losses from unauthorised use of our Fairness Opinion.

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*PricewaterhouseCoopers Advisory Services Limited  
PO Box 550, 11-13 Victoria Avenue, Port of Spain, Trinidad, West Indies  
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## **PwC qualifications**

PwC is a limited liability company incorporated in Trinidad and Tobago, and is the Trinidad firm of the global network of separate and independent PricewaterhouseCoopers firms. The PwC network includes firms in 158 countries with more than 236,000 professionals committed to providing assurance, tax and advisory services. Each member firm is a separate legal entity.

PwC has broad experience in completing and defending, when necessary, assignments involving the valuation of all types of public and private entities and business interests for various purposes, including transactions subject to public scrutiny, the sale or purchase of an entity or assets by related parties, assistance in resolving shareholders' disputes, tax-based corporate reorganisations, estate planning and merger and acquisition activity. The Fairness Opinion is the opinion of PwC and its form and content have been approved by professionals accredited in business valuation. The Fairness Opinion has been prepared in accordance with the Practice Standards of the Canadian Institute of Chartered Business Valuators (Standard No 510 – Fairness opinions).

## **Independence**

While there are no independence requirements governing fairness opinions, for the purpose of providing our Fairness Opinion, PwC confirms that:

- We are not the current auditor of BPTL nor are we an associated or affiliated entity or issue insider of BPTL, and we have no material ownership position in BPTL.
- While we have been engaged to provide a Fairness Opinion and other administrative tasks in connection with the Directors' Circular, our fees are not paid contingent on any action or event resulting from the use of our Fairness Opinion. In addition, PwC is to be reimbursed for reasonable expenses and is to be indemnified by BPTL in certain circumstances.
- Neither PwC nor any of its directors, principals, or shareholders has a material financial interest in the completion of the Offer. PwC has not conducted any transaction or entered into any commercial relationships in the ordinary course of business that it considered would impair its independence or objectivity.
- From time to time, PwC or its affiliated entities have in the past, and may in the future, undertake accounting, tax and advisory assignments for BPTL or ACI and their related companies on matters separate from the Offer. We have not provided any advisory services regarding the value of the business/ operations, the purchase price paid to acquire LBOH, or the Offer price.
- To the best of our knowledge, after all due and reasonable inquiry, PwC has disclosed to you all material facts, which could reasonably be considered to be relevant to PwC qualifications and independence for the purposes of this valuation engagement.

## **Overview of the offer**

BPTL was established in the 1960's and is involved in the manufacture and distribution of industrial, residential and special purpose paint and coatings, as well as related accessories. The majority of production is sold within Trinidad and Tobago with less than 5% of sales being exported to Guyana and Suriname. The company has a total issued share capital of 5,161,444 ordinary shares and is publicly listed on the Trinidad and Tobago Stock Exchange.

## **Overview of the offer (continued)**

Following its recent acquisitions, ACI is currently the majority shareholder holding 80.86% of the issued shares (79.69% held directly and 1.17% held indirectly via an affiliated company, Sissons Paints Ltd). As a result of these acquisitions and in accordance with the Securities Industry (Take-Over) By-laws, ACI is required to make an offer to acquire the 987,827 shares held by the remaining minority shareholders.

ACI is a 100% subsidiary of ANSA McAl Ltd (“ANSA”). ANSA is a publicly listed conglomerate headquartered in Trinidad and Tobago, whose operations span 8 sectors ranging from financial services to distribution and manufacturing, throughout the Caribbean including Trinidad & Tobago, Barbados, St. Kitts and Nevis, St. Lucia, Guyana, Grenada and the USA. ANSA (via its subsidiaries) manufactures and distributes the Sissons and Penta brands of paint independently, and is Berger’s main competitor in Trinidad and Tobago.

ACI’s acquisition of LBOH in July 2017 resulted in their ownership of majority shareholdings in Berger’s operations in Barbados, Jamaica, and Trinidad and Tobago. ANSA represented to us that a total cash consideration of US\$22.5 million was paid for the investment in LBOH, of which US\$2.976 million was allocated to the 3,613,011 BPTL ordinary shares (representing a value of TT\$5.60 per share at a conversion rate of US\$1 = TT\$ 6.79). ANSA further represented that the purchase consideration was not derived based on an individual territory/ subsidiary basis but for the Caribbean operations as a whole. The allocation to BPTL was on a notional basis. Details of the sale and purchase agreement and allocation of consideration were not made available.

The subsequent acquisition of Cham Ramlal Ltd 9.69% shareholding in BPTL was at a price of \$6.76 per share.

We understand that the Offeror also obtained a valuation from an independent valuator as at 31 March 2017. This report estimated that the value of 100% of BPTL’s issued share to be within the range of \$4.41 to \$5.00 per share, with the best estimate being the midpoint of \$4.70 per share.

In their offer and take-over bid circular, dated 1 November 2017, ACI has made an offer to acquire the remaining minority shares at \$6.76 per share.

## **Our approach in arriving at our conclusion**

For the purposes of our Fairness Opinion, subject to the limitations noted, we have defined fair as the following: the holders of the ordinary shares would be in the same or better position, from a financial point of view, by accepting the Offer than they would be if they had otherwise continued to hold their respective ordinary shares as at the Opinion Date.

In assessing fairness, we have taken into consideration the fair market value of the shares. For the purpose of this Fairness Opinion, fair market value is defined as “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”.

## **Our approach in arriving at our conclusion (continued)**

Our procedures focused on evaluating the fairness of the offer for BPTL's shares on a standalone basis and not relative to the price attributed to other companies included in the LBOH acquisition. Our scope included the following:

### **Understanding the basis of ANSA's take-over offer**

- Study and analysis of the terms, conditions and supporting documents of the proposed offer to the minority shareholders.
- Gaining an understanding of the process followed by the ANSA in making their offer.
- Gaining an understanding of ANSA's post acquisition plans for BPTL based on discussions with ANSA.
- Where appropriate, having discussions with the Offeror to gain an understanding of the assumptions underlying the offer price.

### **Performing various valuation analyses of the shares subject to the offer**

- Analysing BPTL's audited/ unaudited financial statements for the last 5 years.
- Analysing BPTL's management forecast, and supporting assumptions.
- Analysing and gaining an understanding of loan agreements.
- Analysing the expert reports prepared for significant balance sheet assets including:
  - Valuation reports for real estate and other fixed assets
  - The actuarial reports for the defined benefit pension plan.
- Consideration of published market data and any other publicly available information in relation to somewhat comparable publicly-listed companies and recent transactions occurring in the industrial products and consumer goods industry.
- Performing additional analysis and research, as necessary.
- Consideration of the applicability of a minority discount or pro-rata value of the minority interest
- Consideration of the historic market price of the shares including an assessment of the liquidity and trading volumes of the shares.
- Consideration of precedent transactions involving recent public buyouts of minority shareholders on the TTSE.

A list of the sources of information used in our analysis is included in Appendix A.

### **Key assumptions underlying our conclusion**

The following are the key assumptions that underlie our Fairness Opinion. Should any of these become invalid it may materially impact our conclusion:

1. A forecast was prepared for the financial year ended March 2018, which indicated a loss, management indicated that this trend is expected to continue in the medium-term, with marginal profits expected to be earned thereafter.

## **Key assumptions underlying our conclusion (continued)**

2. BPTL is expected to be a going concern.
3. Although BPTL has seen increasing cash balances, this is as a result of the lack of US\$ foreign currency needed to settle trade creditors. Taking into consideration the working capital requirements as well as the working capital loans taken, BPTL is not expected to have any surplus cash available for distribution to shareholders.
4. All transactions with related companies are deemed to be at market rates comparable to external third parties.
5. The intercompany loan, payable to ANSA, is expected to be repaid in line with the agreed terms and is not considered to be an equity injection.
6. Management is of the opinion that no material economies of scale are expected to occur as a result of the acquisition by ACI. BPTL's operations are considered to be optimal.
7. In assessing the fair market value of the shares subject to the offer, we have considered a minority discount to be appropriate (where applicable based on the valuation methodology adopted). The minority discounts reflects the unfavorable position held by the minority shareholders given their lack of control over the policies, strategic direction; and distribution of earnings of a company.
8. BPTL has no material outstanding litigation or contingencies, positive or negative, unless otherwise noted.
9. The audited financial statements and the notes to the financial statements and management accounts, include all disclosures necessary for a fair presentation of the financial position, results of operations and changes in financial position of BPTL in accordance with generally accepted accounting principles applied on a consistent basis, and disclosure otherwise required by the laws and regulations to which BPTL is subject.
10. There have been no material changes in the operations or financial position of BPTL from the unaudited financial statements as at 31 September 2017, unless otherwise noted.
11. Where the value of an asset is impaired, this 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 BPTL as security for liabilities has been disclosed to PwC.
12. All key agreements with suppliers are expected to continue/ be renewed at similar terms and conditions, unless otherwise noted.
13. BPTL has no material unrecorded assets or unrecorded liabilities relating to environmental concerns, unless otherwise noted.
14. Management has made available to PwC all information they believe is relevant to the preparation of the Fairness Opinion.

Prior to finalizing our Fairness Opinion, we provided management with drafts who have confirmed, the factual accuracy and inclusion of all material facts and key assumptions. We also obtained a letter BPTL's management confirming representations made which are not capable of independent confirmation from other sources.

### **Fairness Conclusion**

Based upon and subject to the foregoing, PwC is of the opinion that, as of 15 November 2017, the consideration under the Offer is fair, from a financial point of view, to the minority shareholders of BPTL. Our procedures focused on evaluating the fairness of the offer on a stand-alone basis and not relative to the price attributed to other companies included in the LBOH acquisition.

This conclusion should be read in conjunction with the limiting conditions and restrictions as outlined in Appendix B.

Yours faithfully,



Lisa Awai  
Executive Director  
Ext. 4004/ Cell: 868 398 7249  
[lisa.awai@tt.pwc.com](mailto:lisa.awai@tt.pwc.com)

# **Appendix A**

## **Sources of information**

## **Sources of information**

During the course of our work, we have relied on data and information made available to us through different sources obtained from the Client, sector specific information obtained from the public domain, and financial and industry sources.

The principal information studied during our engagement included:

- Audited financial statements for the years ended 31 March 2013 to 2017, inclusive of supporting schedules.
- Management accounts for the interim 6 month period to 30 September 2017, inclusive of supporting schedules.
- Forecasted income statement for the year ended 31 March 2018, prepared in January 2017.
- ACI offer and take-over bid circular to the shareholders of BPTL, dated 1 November 2017.
- Ernst and Young Services Ltd estimate valuation report dated 20 July 2017, regarding the ordinary shares of BPTL as at 31 March 2017. This valuation report was included as part of the documents supporting the Offer and is publicly available.
- BPTL annual return and other documents filed with the Company Registrar as at September 2017.
- Linden Scott & Associates Ltd valuation of land located at Sea Lots Industrial Estate, dated 12 May 2014.
- Bacon Woodrow & de Souza Ltd actuarial valuation of the weekly-paid and monthly paid pension plan as at 31 December 2015.
- Correspondence with ANSA representatives regarding:
  - their intended plans for operations of BPTL post acquisition
  - the allocation of the total consideration paid for the acquisition of LBOH to BPTL shares.
- Loan agreement between ANSA and BPTL inclusive of amendments.

We have also held discussions with the following persons:

- Mrs Omawatie Birbal – General Manager
- Ms Sheens Balkaran - Accountant

PwC has not, to the best of its knowledge, been denied access by BPTL to any information requested, with the exception of any information outlined in Appendix B – Limiting conditions and restrictions.

PwC received a letter of representation from the BPTL, who have read our draft Fairness Opinion and confirmed, among other matters, the factual accuracy of our draft Fairness Opinion and the inclusion of all material facts and assumptions.

# **Appendix B**

## **Limiting conditions & restrictions**



## **Limiting conditions and restrictions**

The Fairness Opinion is subject to the following limitations, restrictions and qualifications, any changes to which could have a significant impact on PwC's assessment of the fairness of the Offer to the minority shareholders of BPTL.

1. PwC has relied without independent verification upon the completeness, accuracy and fair presentation of all the financial information, data, advice, opinions or representations obtained from public sources, by management of BPTL, the Board and their advisors, as well as other parties (collectively, the "Information"), some of which is detailed under the Appendix A – Sources of information. Parts of the Information were received or obtained by PwC directly or indirectly, and in various ways (oral, written, inspection), from third parties (i.e. individuals or entities other than BPTL and its directors, officers and employees). PwC has assumed that the Information is complete, accurate, and not misleading and does not omit any material facts.
2. The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. PwC has not verified independently the completeness, accuracy and fair presentation of the Information.
3. With respect to the financial analysis and details provided to us and relied upon in our analysis, we have assumed that they have been prepared on a reasonable basis reflecting current best assumptions, estimates and judgments of management or their advisors.
4. With respect to the budgets, forecast, projections or estimates provided to PwC and used in our analyses, we note that projecting future results is inherently subject to uncertainty. PwC has assumed, however, that such budgets, forecasts, projections, and estimates have been reasonably prepared on bases reflecting the best currently available estimates and judgments of management. By its nature, the budgeted and forecast information provided may not occur as projected and unanticipated events and circumstances may occur that may materially alter the analyses and conclusions set out herein.

PwC takes no responsibility for the achievement of predicted results and disclaims any liability in respect of this. We did not assist in preparing the forecasts. BPTL has full responsibility for the judgements and results of its forecasting process. Projections relate to future events and are based on assumptions which may not remain valid for the whole of the relevant period. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. It should however be noted that financial results depicted within audited financial statements for completed accounting periods do not necessarily provide clear, or indeed any, indication that similar results would be achieved in future financial periods. PwC has assumed, however, that such budgets, forecasts, projections, and estimates have been reasonably prepared on bases reflecting the best currently available estimates and judgments of management.

With respect to financial projections provided, our work did not constitute an examination or compilation of agreed-upon procedures in accordance with International Standard on Assurance Engagements No. 3400 – The Examination of Prospective Financial Information and we will express no assurance of any kind on such information.

5. The Fairness Opinion has been prepared on the basis of economic, financial and general business conditions existing on or about the opinion date. Changes in these conditions since the opinion date and in the future are beyond the control of PwC or any party involved in the Offer and have not been considered in the Fairness Opinion.

### **Limiting conditions and restrictions (continued)**

6. PwC has not conducted an audit or review of the financial affairs of BPTL, nor has PwC sought external verification, unless otherwise noted herein, of the Information or that which was extracted from public sources. PwC accepts no responsibility or liability for any losses occasioned by any party as a result of our reliance on the financial and non-financial information that was provided to us or obtained from third parties.
7. In preparing the Fairness Opinion, PwC has relied upon a written letter of representations from management stating, among other things, that:
  - (i) they have read our draft Fairness Opinion and are not aware of any errors, omissions or misrepresentations of facts, which might have an impact on our conclusions therein;
  - (ii) to the best of their knowledge, all of the Information provided orally or in writing to PwC by management in connection with the preparation of the Fairness Opinion is complete, true and correct in all material respects and does not contain any untrue statement of a material fact in respect of the Offer or BPTL;
  - (iii) unless disclosed to PwC in writing, to the best of their knowledge, the Information does not omit any material fact in respect of the Offer or BPTL;
  - (iv) since the Information was provided to PwC, unless disclosed in writing, to the best of their knowledge, no material changes have occurred in the Information, or in factors surrounding the Offer or BPTL which would have, or which would reasonably be expected to have, a material effect on the Fairness Opinion;
  - (v) to the best of its knowledge, information and belief after due inquiry, there is no plan or proposal for any material change in the affairs of BPTL which has not been disclosed;
  - (vi) other than as disclosed in the Information, neither BPTL nor any of its affiliates has any material contingent liabilities and there are no actions, suits, claims, proceedings, investigations or inquiries pending or threatened against or affecting the Offer, BPTL at law or in equity or before or by any governmental department, commission, bureau, board, agency or instrumentality which may, in any way, materially adversely affect BPTL or the Offer; and
8. Based on discussions with management, PwC understands that there are no material environmental issues (and associated costs) relating to the operations of BPTL that may impact the value of the ordinary shares and the Offer. PwC has not performed any procedures in this regard.
9. The Fairness Opinion is given as at the date hereof, and PwC reserves the right to change, modify or withdraw the Fairness Opinion if we are made aware of any information that was relied upon in preparing the Fairness Opinion to be inaccurate, incomplete or misleading in any material respect. PwC is under no obligation to advise any person of any change or matter brought to our attention after such date, which would affect the Fairness Opinion and PwC has no obligation to update or revise the Fairness Opinion as a result of future events although PwC reserves the right to update, revise or withdraw the Fairness Opinion. In addition, pursuant to our letter of engagement, our liability under this assignment is limited, and BPTL has agreed to indemnify us under certain circumstances.

### **Limiting conditions and restrictions (continued)**

10. The Fairness Opinion is rendered as of the date hereof, on the basis the Information provided or otherwise available to PwC. Any changes therein may affect the Fairness Opinion and, although PwC reserves the right to change or withdraw the Fairness Opinion in such event, it disclaims any undertaking or obligation to advise any person of any such change that may come to its attention, or to update, revise or reaffirm the Fairness Opinion after such date.
11. The Fairness Opinion must be read in its entirety by the reader, as selecting and relying on only specific portions of the analyses or factors considered by PwC could be misleading. Our Fairness Opinion is based on the Offer alone, and not any activities subsequent to the Offer.
12. PwC is not in a position to comment on the investment merit of the ordinary shares or BPTL. PwC is only commenting on the fairness of the Offer, from a financial point of view, and is not in a position to comment on the future success of BPTL.
13. PwC is not expressing any opinion as to the price at which the shares of BPTL will trade at any time.
14. The Fairness Opinion is not to be construed as a recommendation to the directors, as to how to vote on, or proceed with, the Offer.
15. The Fairness Opinion has been provided for the information and assistance of the directors in connection with its consideration of the Offer and is not intended to be, and does not constitute, a recommendation as to how any Shareholder should vote with respect to the Offer or any other matter. The Fairness Opinion may not be used for any other purpose, without the express prior written consent of PwC. PwC denies any responsibility for losses which result from the unauthorised use of this Fairness Opinion. Save for any responsibility which PwC may have to the persons to whom this report is expressly addressed, to the fullest extent permitted by law, PwC does not accept any liability to any other person for any loss suffered by any such person as a result of, arising out of, or in connection with this report.
16. The Fairness Opinion is limited to the fairness of the Offer to the holders of the ordinary shares, not the strategic merits of the Offer. It represents an impartial expert judgment, not a statement of fact. PwC defines “fairness opinion” as a special letter of opinion from a financial advisor to the management, directors and/or supervisory board and/or shareholders (or similar body) of an entity considering a material transaction, opining on the fairness of the consideration offered. Evaluation is limited to the adequacy of the consideration, or fairness of the exchange, not the strategic merits of the transaction. A fairness opinion does not provide assurance that the best possible consideration was obtained.  
  
A fairness opinion is an impartial expert judgement, not a statement of fact. There exists a significant degree of judgement involved in selecting methods and bases for arriving at the opinion and a significant number of items which may be subjectively considered when arriving at such opinion. It follows therefore that, whilst PwC’s opinion is one which it considers to be both reasonable and defensible, others may arrive at a different conclusion.
17. The Fairness Opinion does not constitute a calculation, estimate or comprehensive valuation (also known as a valuation opinion) of the Offer nor of the ordinary shares of BPTL.

### **Limiting conditions and restrictions (continued)**

18. In considering fairness, from a financial point of view, PwC considered the Offer from the perspective of shareholders generally and did not consider the specific circumstances of any particular shareholder, including with regard to income tax considerations. PwC cannot assess the tax consequences of the Offer to the individual holders of the ordinary shares as each holder of ordinary shares will have a different adjusted cost basis in connection with their purchases of the ordinary shares and different personal tax circumstances. None of this information is available to or known by PwC. Therefore such assessment is beyond our scope of review. Shareholders should consult an independent expert if they are in any doubt as to the merits or otherwise of the Offer.

Our Fairness Opinion is prepared by considering the perspective of minority shareholders in totality (i.e. entire bloc of 19.14%) and is not intended to be concluded upon at the individual shareholder level. We have also assumed that the 19.14% bloc of shareholders are not acting in concert.

19. The individuals that prepared the Fairness Opinion did so to the best of their knowledge, acting independently and objectively.
20. PwC compensation is not contingent on an action or event resulting from the use of the Fairness Opinion.
21. The Fairness Opinion has been prepared in conformity with the Practice Standards of the Canadian Institute of Chartered Business Valuators.
22. In arriving at our opinion, PwC was not authorised to solicit, and did not seek to solicit, interest from any party with respect to an acquisition, business combination or extraordinary transaction, involving BPTL. PwC did not negotiate with any third parties that may express an interest in BPTL.
23. PwC has not been engaged to provide and has not provided an opinion on the fairness of the process underlying the Offer.

**APPENDIX 4**

**CONSENT OF FINANCIAL ADVISER TO USE FAIRNESS OPINION**



The Board of Directors  
Berger Paints Trinidad Limited  
11 Concessions Road  
Sea Lots  
Port of Spain

15 November 2017

***Re: Consent to use Fairness Opinion***

Dear Sirs,

PricewaterhouseCoopers Advisory Services Ltd (“PwC”) was engaged by Berger Paints Trinidad Limited BPTL on 1 September 2017 to provide a Fairness Opinion as to whether the offer received from ANSA Coatings International Ltd (“ACI”) to the minority shareholders of BPTL is fair, from a financial point of view, to the remaining minority shareholders of BPTL. Our Fairness Opinion was one factor, among others, that the board of directors was to have consider in making any recommendation in respect of the offer.

Based on our correspondence, we understand that the directors of BPTL would like to use our Fairness Opinion dated 15 November 2017 (“Opinion”) in conjunction with BPTL’s Directors’ Circular addressed to the shareholders of BTPL.

We understand that our Opinion may either be:

- Referenced in the Directors’ Circular;
- Included as part of the documents accompanying the Directors’ Circular; or
- Filed with the Trinidad and Tobago Securities Exchange Commission (“TTSEC”) as part of the submissions, which may be required along with the Directors’ Circular.

We are content to allow you to utilize our Opinion in the manner outlined above on certain conditions as outlined in this letter. As a condition of making our Opinion available, we require that you agree to the terms of this letter.

Our Fairness Opinion was prepared by us and addressed to you and presents our opinion as to whether the offer received from ACI to the minority shareholders of BPTL, is fair from a financial point of view as at the date of our Opinion. Our Opinion was prepared for the sole for use by BPTL’s directors as one of several bases to support your decision in making a recommendation to the minority shareholders with respect to acceptance or rejection. Our Opinion is not for use by any other party or other transaction. Consequently, our Opinion should not be regarded as suitable for use by any other person, or for any other purpose.

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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 Opinion. Further you accept the risk, and will not hold us responsible, if utilizing our Opinion in the manner outlined:

- (i) Results in the TTSEC or other regulatory body, either appropriately or inappropriately requesting a change to the Directors' Circular.
- (ii) Results in or contributes to the termination or reduction of BPTL's 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 BPTL; or
- (iv) Results in a third party using or misusing any confidential information obtained from our Fairness Opinion.

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



Lisa Awai  
Executive Director  
[lisa.awai@tt.pwc.com](mailto:lisa.awai@tt.pwc.com)