

# Circular Letter to Shareholders

December 17, 2014

**To: All Shareholders of Massy Holdings Ltd. (“Massy”/“the Company”)**

Dear Shareholder:

## Circular Letter to Shareholders

### Proposal for the Voluntary Delisting of the Company’s Shares from the Barbados Stock Exchange (“BSE”)

This Circular Letter sets out the background and reasons behind your Board of Directors’ recommendation to vote in favour of the proposed Special Resolution to delist from the BSE where the Company’s shares are cross-listed. We wish to emphasise however, that the **Company will continue to maintain its primary listing on the Trinidad & Tobago Stock Exchange (“TTSE”)**.

#### Rationale for Delisting - Low Level of Trading on BSE

The recommendation to delist from the BSE is primarily due to the low level of trading in Massy’s shares on the BSE, which does not justify the costs of maintaining the listing. Further, the absence of harmonisation of securities laws and regulations and stock exchange rules, across both jurisdictions, makes it an added burden. Table 1 below shows that, over the past four years, the number of trades and number of shares traded on the BSE, were significantly lower in comparison to, the number of trades and number of shares traded on the TTSE.

**Table 1 – Comparison of Trades and Shares Traded on BSE and TTSE**

Year	Number of Regular Trades on BSE	Number of Shares Traded on BSE	Number of Regular Trades on TTSE	Number of Shares Traded on TTSE
2010	23	186,221	498	4,037,271
2011	52	225,226	511	2,857,320
2012	36	135,325	636	1,593,055
2013	72	159,654	858	3,380,056

<sup>1</sup> The trades referenced are regular trades on the BSE which refers to trades outside of the odd lot market and trades that are not ‘put through’ transactions.

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## Price Differential in Massy Shares

Any Shareholder may trade their shares on either the TTSE or the BSE as they may choose. In 2012 however, the BSE implemented a new system which only allows the market price of Massy shares to change where a minimum of 6,500 shares are traded in a single transaction. This has contributed to a significant price differential between the share prices quoted on the TTSE as compared to the BSE, as can be seen from Table 2 below.

Such a situation will likely persist since trading levels are typically low on the BSE, whilst the demand for Massy shares is notably higher on the TTSE. The differential between quoted prices, yields different valuations for Massy Shareholders depending on which exchange is used as a basis for valuing their shares, which is not inherently desirable. Most often, the prices quoted on the TTSE are higher than on the BSE and we have noted that some Shareholders based in Barbados have as a result, already changed the registration of their shares from Barbados to Trinidad.

**Table 2 – Comparison of Share Price on TTSE and BSE**

Date	TTSE Share Price	BSE Share Price
December 1, 2014	TT \$68.25	TT\$63.80 (BD \$20.00*3.19)
June 30, 2014	TT \$68.95	TT\$57.53 (BD \$19.50*2.95)
December 31, 2013	TT \$60.01	TT\$52.10 (BD \$17.25*3.02)
June 30, 2013	TT \$59.00	TT\$47.37 (BD \$16.51*2.93)
December 31, 2012	TT \$47.01	TT\$42.71 (BD \$14.05*3.04)

## Ease of Transfer and Trading

This voluntary delisting will not prevent our Barbados Registered Shareholders from continuing to maintain their investment in the Company or from trading in the Company's shares. The process to transfer shares from the BSE to the TTSE is simple and may easily be facilitated through a broker either in Barbados or Trinidad & Tobago.

## Recommendation to the Company's Shareholders

At a Meeting of the Board of Directors of the Company held on November 6, 2014, the Board, having considered all issues, agreed to seek the Shareholders' approval to submit an application for the voluntary delisting of the Company's shares from the BSE.

<sup>2</sup> Based a conversion rate of \$1 BDS to the \$TT mid-point conversion rate set by the Central Bank of Trinidad & Tobago at the respective dates.

The Board considers this to be in the best interest of the Company and its Shareholders and is pleased to invite you to vote on the below proposed Special Resolution at the Ninety-First Annual Meeting of the Company to be held on February 6, 2015.

**"BE IT RESOLVED:**

**THAT, in accordance with the provisions of:**

- (i) the Securities Act, 2012, The Companies Act, 1995 of the Laws of Trinidad & Tobago; and the Trinidad & Tobago Stock Exchange ("TTSE") Rules; and*
- (ii) the Financial Services Commission Act, 2010, Securities Act Cap 318A, and the Companies Act Cap 308 of the Laws of Barbados and the Barbados Stock Exchange ("BSE") Rules; and*
- (iii) the Listing Agreements between the Company and the BSE and the TTSE respectively and all other applicable laws, rules, regulations and guidelines,*

*the consent of the Shareholders be and is hereby accorded and granted for the voluntary delisting of the equity shares of the Company from the BSE, which voluntary delisting is hereby approved, subject to such processes as may be necessary and subject to such conditions as prescribed by law; and*

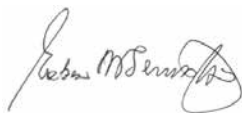
*THAT the Board of Directors and any person(s) authorized by the Board of Directors be and are hereby authorised to take all steps necessary to give effect to this resolution."*

Our commitment to all our Barbados stakeholders remains strong and we will meet with our Barbados Registered Shareholders to discuss any concerns, and to provide guidance on arrangements to facilitate the transfer of their shares to the TTSE.

In addition, the Company will for the first time, undertake to run a live stream of the 2015 Annual Meeting to a venue in Barbados to facilitate Shareholders, located in Barbados, being able to be informed of the proceedings of the Meeting.

Yours faithfully,

MASSY HOLDINGS LTD.



ROBERT BERMUDEZ

Chairman

