

GRAND BANKS YACHTS LIMITED
(Incorporated in the Republic of Singapore)
Company Registration Number: 197601189E

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Extraordinary General Meeting of Grand Banks Yachts Limited (the "**Company**") will be held at **Traders Hotel, 1A Cuscaden Road, Singapore 249716** on **Wednesday 10 October 2012** at **10.00 a.m.** for the purpose of considering and, if thought fit, passing the following resolutions with or without amendments (*see explanatory notes (i) to (v)*):

Ordinary Resolutions

- 1) That Mr Heine Askaer-Jensen be removed from his office as an independent Director of the Company. **(Resolution 1)**
- 2) That Mr Basil Chan be removed from his office as an independent Director of the Company. **(Resolution 2)**
- 3) That Mr Jeffrey Stewart Bland be removed from his office as an independent Director of the Company. **(Resolution 3)**
- 4) That Mr Peter Kevin Poli be removed from his office as an executive Director of the Company. **(Resolution 4)**
- 5) That Mr Cheng Lim Kong be appointed as an executive Director of the Company. **(Resolution 5)**
- 6) That Mr Mahtani Bhagwandas be appointed as an independent Director of the Company. **(Resolution 6)**
- 7) That Mr Rohan s/o Suppiah be appointed as an independent Director of the Company. **(Resolution 7)**
- 8) That Mr Seah Cheng San be appointed as an independent Director of the Company. **(Resolution 8)**
- 9) That any Director of the Company appointed between 10 August 2012 (being the date of the requisition notice received by the Company from Messrs Cheng Lim Kong and Kwah Yeow Khong ("**Requisitioning Shareholders**")) and the date of the Extraordinary General Meeting, be removed. **(Resolution 9)**

BY ORDER OF THE BOARD

Ler Ching Chua
Company Secretary

Singapore
31 August 2012

Explanatory Notes:

- (i) The Company is convening the Extraordinary General Meeting pursuant to the requisition notice dated 10 August 2012 by the Requisitioning Shareholders for the Company to convene an Extraordinary General Meeting under Section 176 of the Companies Act. Please refer to the Company's announcement dated 10 August 2012 for further details.

The Company has not received from the Requisitioning Shareholders their basis and rationale for proposing the resolutions, as well as the qualifications and consents to act of the persons proposed by them as Directors.

- (ii) The Company will despatch this notice of Extraordinary General Meeting to Shareholders, together with any further information on the proposed resolutions in due course, in any event before 14 calendar days prior to the Extraordinary General Meeting.

- (iii) The incumbent Directors of the Company are:

- (a) Mr Heine Askaer-Jensen, who is an independent Director, and serves the Company as Chairman of the Board of Directors and Chairman of the Remuneration Committee as well as a member of the Audit and Nominating Committees;
- (b) Mr Basil Chan, who is an independent Director of the Company, and serves the Company as Chairman of the Audit Committee as well as a member of the Remuneration and Nominating Committees;
- (c) Mr Jeffrey Stewart Bland, who is an independent Director, and serves the Company as Chairman of the Nominating Committee as well as a member of the Audit and Remuneration Committees; and
- (d) Mr Peter Kevin Poli, who is the sole executive Director and Chief Financial Officer of the Company.

- (iv) The Chairman of the Extraordinary General Meeting will be exercising his right under Article 64 of the Articles of Association of the Company to demand a poll in respect of each resolution to be put to the vote of members at the Extraordinary General Meeting and at any adjournment thereof. Accordingly, each resolution will be voted on by way of a poll, after all the resolutions have been tabled and considered.

- (v) A member is entitled to appoint one or more proxies to attend and vote in his place. A proxy need not be a member. The instrument appointing a proxy must be deposited at the Company's registered office at 541 Orchard Road, #11-04 Liat Towers, Singapore 238881 not less than 48 hours before the time for holding the Extraordinary General Meeting.