



GRAND BANKS YACHTS LIMITED

(Company Reg. No.: 197601189E)

**RECEIPT OF IN-PRINCIPLE APPROVAL FROM THE SGX-ST FOR
LISTING OF AND QUOTATION FOR 19,223,250 PLACEMENT SHARES**

All capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed in the Company's announcement of 17 September 2012.

The Company is pleased to announce that it has today received the in-principle approval of the SGX-ST for the listing of and quotation for 19,223,250 Placement Shares, subject to the following conditions:

- (a) compliance with the SGX-ST's listing requirements; and
- (b) submission of:
 - (i) a written undertaking from the Company that it will comply with Rules 704(30) and 1207(20) of the SGX-ST Listing Manual in relation to the use of proceeds from the Placement;
 - (ii) a written undertaking from the Company that it will comply with Rule 803 of the SGX-ST Listing Manual in relation to issuance of securities transferring a controlling interest only with the prior approval of shareholders in general meeting; and
 - (iii) a written confirmation from the Company that it will not issue the Placement Shares to persons prohibited under Rule 812(1) of the SGX-ST Listing Manual.

The Placement Shares are required to be placed out within 7 market days from the date of this announcement.

The Company will provide the above undertakings and confirmation to the SGX-ST as required, and will also update shareholders on completion of the Placement and issuance and allotment of the Placement Shares to the Subscribers.

The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Placement, the Placement Shares and/or the Group.

By Order of the Board

GRAND BANKS YACHTS LIMITED

20 September 2012