



**GRAND BANKS YACHTS LIMITED**

(Company Reg. No.: 197601189E)

---

**PROPOSED ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF PALM BEACH MOTOR YACHT CO PTY LTD**

**- EXERCISE OF CALL OPTION AND COMPLETION OF THE PROPOSED ACQUISITION**

---

*Unless otherwise defined herein, all terms and references used in this announcement shall bear the meanings ascribed to them in the Company's announcement dated 11 April 2014.*

The Board of Directors of the Company wishes to announce that, pursuant to the Option Agreement, the Company has exercised the Call Option to acquire the entire issued and paid-up share capital of Palm Beach Motor Yacht Co Pty Ltd from Mr. Mark Richards.

Completion of the Proposed Acquisition has taken place simultaneously today, and Palm Beach Motor Yacht Co Pty Ltd is now a wholly-owned subsidiary of the Company.

In accordance with the terms of the Option Agreement an aggregate 11,025,400 new ordinary shares in the capital of the Company ("**Consideration Shares**") have been allotted and issued to Mr. Mark Richards as part of the consideration payable under the First Tranche Consideration. Following the allotment and issuance of the Consideration Shares, the issued share capital of the Company has increased from 173,009,249 Shares to 184,034,649 Shares. The Consideration Shares rank *pari passu* in all respects with the existing Shares of the Company.

Immediately after Completion, Mr. Mark Richards holds 11,025,400 Shares, representing approximately 5.99% of the Company's enlarged issued share capital.

Mr. Mark Richards has also been appointed an executive director and the chief executive officer of the Company pursuant to the terms of the Option Agreement.

The Consideration Shares are expected to be listed and quoted on the Official List of the SGX-ST with effect from 9 a.m. on or around 4 August 2014. The Consideration Shares are subject to a moratorium, the details of which are set out in section 2.6 of the Company's circular to Shareholders dated 30 June 2014.

By Order of the Board

**GRAND BANKS YACHTS LIMITED**

1 AUGUST 2014