

# GRAND BANKS YACHTS LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration Number: 197601189E

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at **SGX Auditorium, Level 2, 2 Shenton Way, SGX Centre 1, Singapore 068804** on **Monday, 22 October 2012 at 10.00 a.m.** ("**AGM Date**") to transact the following businesses (see *Explanatory Notes (i), (ii) and (iii)*):

### Ordinary Business

- 1) To receive and consider the Directors' Report and Audited Accounts for the year ended 30 June 2012 and the Auditors' Report thereon. (Resolution 1)
- 2) To re-appoint KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. (Resolution 2)
- 3) To approve payment of Directors' fees of S\$167,203 for the year ended 30 June 2012. (2011: S\$156,000) (Resolution 3)
- 4) To approve payment of Directors' fees of S\$169,000 for the year ending 30 June 2013. (see *Explanatory Note (iv)*) (Resolution 4)
- 5) (Subject to Mr Heine Askaer-Jensen being a Director on the AGM Date) To re-elect Mr Heine Askaer-Jensen as an independent Director. (Resolution 5)
- 6) (Subject to Mr Basil Chan being a Director on the AGM Date) To re-elect Mr Basil Chan as an independent Director. (Resolution 6)
- 7) (Subject to Dr Jeffrey Stewart Bland being a Director on the AGM Date) To re-elect Dr Jeffrey Stewart Bland as an independent Director. (Resolution 7)
- 8) (Subject to Mr Peter Kevin Poli being a Director on the AGM Date) To re-elect Mr Peter Kevin Poli as an executive Director. (Resolution 8)
- 9) (Subject to Mr Cheng Lim Kong being a Director on the AGM Date) To re-elect Mr Cheng Lim Kong as an executive Director. (Resolution 9)
- 10) (Subject to Mr Mahtani Bhagwandas being a Director on the AGM Date) To re-elect Mr Mahtani Bhagwandas as an independent Director. (Resolution 10)
- 11) (Subject to Mr Rohan s/o Suppiah being a Director on the AGM Date) To re-elect Mr Rohan s/o Suppiah as an independent Director. (Resolution 11)
- 12) (Subject to Mr Seah Cheng San being a Director on the AGM Date) To re-elect Mr Seah Cheng San as an independent Director. (Resolution 12)
- 13) To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

### Special Business

- 14) To consider and, if thought fit, to pass the following resolution as an ordinary resolution, with or without amendments:  
"THAT authority be and is hereby given to the Directors to:
  - (a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit; and
  - (b) (notwithstanding the authority conferred by this resolution may have ceased to be in force), issue shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force, provided that:
    1. the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with sub-paragraph 2 below), of which the aggregate number of shares to be issued other than on a *pro-rata* basis to shareholders (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 20% of the total number of issued shares, excluding treasury shares, in the capital of the Company (as calculated in accordance with sub-paragraph 2 below);
    2. (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph 1 above, the percentage of issued shares, excluding treasury shares, shall be based on the total number of issued shares, excluding treasury shares, in the capital of the Company at the time that this resolution is passed, after adjusting for:
      - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this resolution is passed; and
      - (ii) any subsequent bonus issue, consolidation or subdivision of shares;
    3. in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association; and
    4. (unless revoked or varied by the Company in general meeting) the authority conferred by this resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, whichever is the earlier." (see *Explanatory Note (v)*) (Resolution 13)
  - 15) To consider and, if thought fit, to pass the following resolution as an ordinary resolution, with or without amendments:  
"THAT approval be and is hereby given to the Directors to offer and grant awards of fully paid-up shares in the capital of the Company in accordance with the Grand Banks Yachts Limited Performance Incentive Plan and, notwithstanding that the authority conferred by this resolution may thereafter cease to be in force, to allot and issue such shares pursuant thereto granted while the authority conferred by this resolution was in force." (see *Explanatory Note (vi)*) (Resolution 14)

### BY ORDER OF THE BOARD

Ler Ching Chua  
Company Secretary  
Singapore  
2 October 2012

### Explanatory Notes:

- (i) The Chairman of the Annual General Meeting will be exercising his right under Article 64 of the Articles of Association to demand a poll in respect of each resolution to be put to the vote of members at the Annual General Meeting and at any adjournment thereof. Accordingly, each resolution will be voted on by way of a poll.
- (ii) 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 Annual General Meeting.
- (iii) If any of the persons specified in Resolutions 5 to 12 is not a Director on the AGM Date, the Resolution in which such person is specified shall not be put to a vote at the Annual General Meeting.
- (iv) Resolution 4 is to approve the payment of an aggregate S\$169,000 as Directors' fees for the current financial year, commencing on 1 July 2012 and ending on 30 June 2013, to be paid out quarterly in arrears. If for whatever reason, payments are required to be made to the Directors in excess of the amount proposed, the Company will revert to shareholders for approval at the subsequent Annual General Meeting before any such additional payments are made.
- (v) Resolution 13, if passed, authorises the Directors from the date of this Annual General Meeting up to the date of the next Annual General Meeting, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding 50% of the issued shares, excluding treasury shares, in the capital of the Company on a *pro-rata* basis to shareholders (of which up to 20% of the issued shares, excluding treasury shares, in the capital of the Company, may be issued on a non *pro-rata* basis to shareholders). For determining the aggregate number of shares that may be issued, the percentage of issued shares, excluding treasury shares, will be calculated based on the total number of issued shares, excluding treasury shares, in the capital of the Company at the time that this resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that this resolution is passed, and (b) any subsequent bonus issue, consolidation or subdivision of shares.
- (vi) Resolution 14 authorises the Directors to grant awards under the Grand Banks Yachts Limited Performance Incentive Plan and to allot and issue fully paid-up shares in the capital of the Company, provided that the aggregate number of shares which may be allotted and issued pursuant to the Grand Banks Yachts Limited Performance Incentive Plan shall not exceed 12% of the total number of issued shares in the capital of the Company from time to time. Approval for the adoption of the Grand Banks Yachts Limited Performance Incentive Plan was given by the shareholders at an Extraordinary General Meeting of the Company held on 14 July 2008. This authority will, unless previously revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is the earlier. This authority is in addition to the general authority to issue shares sought under Resolution 13.