



**GRAND BANKS YACHTS LIMITED**

(Company Reg. No.: 197601189E)

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**INTERESTED PERSON TRANSACTION**

**- SALE OF ONE GRAND BANKS YACHT TO A DIRECTOR OF THE COMPANY**

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**1. INTRODUCTION**

The Board of Directors (the "**Board**") of Grand Banks Yachts Limited ("**Company**") wishes to announce that its subsidiary, Grand Banks Yachts Sdn. Bhd. has on 13 November 2014 entered into a sale and purchase agreement with Mr. Heine Askaer-Jensen for the sale by Grand Banks Yachts Sdn. Bhd. and the purchase by Mr. Heine Askaer-Jensen of one new Grand Banks yacht at a purchase price of approximately USD1.7 million (equivalent to approximately S\$2.1 million) (the "**Transaction**").

Mr. Heine Askaer-Jensen is a Director of the Company, and the Non-Executive Independent Chairman of the Board of Directors, and the Transaction would constitute an interested person transaction ("**IPT**") under Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

**2. Rationale for and Details of the Transaction**

The Transaction is entered into in the ordinary course of business of the Company and its subsidiaries ("**Group**") and will contribute to an increase in the sales revenue of the Group. The yacht is sold to Mr. Heine Askaer-Jensen on the basis of the same pricing offered to employees and directors of the Group, pursuant to the Group's internal policy.

The purchase consideration of the Transaction is less than 5% of the Group's latest audited net tangible assets of S\$50,965,000 as at 30 June 2014. Accordingly, the Transaction will not require the approval of the shareholders of the Company as the transaction value is less than 5% of the Group's latest audited net tangible assets.

**3. Total Value of Interested Person Transactions**

Save for the IPT disclosed in this announcement, there are currently no other interested person transactions with Mr. Heine Askaer-Jensen and his associates for the financial year ending 30 June 2015. The current total of all interested person transactions entered into by the Group is S\$2,350,000 for the financial year ending 30 June 2015.

#### **4. Statement of the Risk Management & Audit Committee**

The Transaction has been reviewed by the Risk Management & Audit Committee of the Company, and the Risk Management & Audit Committee of the Company is of the view that the terms of the Transaction are on normal commercial terms, and are not prejudicial to the interests of the Company and its minority shareholders. In view of his interests in the Transaction, Mr. Heine Askaer-Jensen has abstained from voting on the Transaction in his capacity as a member of the Risk Management & Audit Committee of the Company and as a member of the Board.

#### **5. Interests of Directors and Controlling Shareholders**

Save as disclosed in this announcement, none of the Directors or controlling shareholders of the Company has an interest, direct or indirect, in the Transaction other than interests arising by virtue of their shareholdings in the Company.

By order of the Board

GRAND BANKS YACHTS LIMITED

13 November 2014