

COMPANY ANNOUNCEMENT

GRAND HARBOUR MARINA P.L.C.
(THE “COMPANY”)

Related Party Transaction

Date of Announcement	16 March 2011
Reference	51/2011
Listing Rule	LR 5.139

QUOTE

The Company wishes to notify the public that the board of directors of the Company has approved the entry into of an agreement with Camper & Nicholsons Marina Investments Limited, (“**CNMIL**”) as a result of which the Company will acquire the beneficial interest of a 45% shareholding in a company named Çeşme Marina Yatirim, Turizm ve İşletmeleri Anonim Şirketi (“**IC Cesme**”), registered under the laws of Turkey, which company owns and operates a Marina in Turkey, (the “**Acquisition**”). The Acquisition is in furtherance of the Company’s business of acquiring, operating and managing marinas.

The Company hereby informs the public that the Acquisition has been approved by the independent members of the audit committee of the Company, who, after having carefully considered their obligations in terms of the Listing Rules, concluded that the Acquisition is being entered into at arms’ length and on a normal and commercial basis.

The directors of the Company that also hold the office of director on the board of CNMIL refrained from voting at the board of directors meeting in respect of the approval or otherwise of the Acquisition.

In view of the determination by the Audit Committee that the Acquisition will have a material impact on the Company’s business, the Company hereby announces the following: -

- a) Name of Related Party and Extent of Interest thereof in the Acquisition
The related party in question is CNMIL. CNMIL is the parent company of the Company holding approximately 79.17% of its issued share capital. CNMIL is disposing of its entire beneficial equity interest in IC Cesme. As a result of the Acquisition, Maris Marine Limited (“**MML**”) and Camper & Nicholsons Marinas

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Limited (“CNML”) shall together hold shares representing 45% of the equity share capital of IC Cesme for the sole benefit of, and in the sole interests of, the Company. CNML and MML are also related parties within the meaning of the Listing Rules.

b) Nature and Details of Transaction: -

The transaction involves the entry into and execution of an agreement by and between the Company as purchaser and CNMIL as vendor pursuant to which the vendor shall transfer its entire beneficial equity interest in IC Cesme (amounting to a beneficial interest in 45% of the issued share capital of IC Cesme) in favour of the Company for a consideration payable in cash of approximately €1.9million. The direct holding by the Company of the 45% equity interest is subject to the approval of the competent authorities in Turkey and to the banks financing the development of the marina operated by IC Cesme. The Company is also required to guarantee IC Cesme’s bank financing in an amount which is equivalent to its beneficial interest in IC Cesme, that is, approximately an amount of €6.5m.

The remaining shareholding in IC Cesme is held by a respected Turkish group named Ibrahim Cecen Investment Holding AS. The marina operated by IC Cesme is located one hour from Turkey’s third largest city Izmir, and its international airport. The marina is held by IC Cesme under a build, operate and transfer (BOT) agreement with the Turkish Ministry of Transportation, which contract expires on the 22 April 2034. It comprises some 373 berths for yachts up to 60 meters in length and a shopping village containing some 6,000 square meters of retail space. The marina was officially opened in 2010 and is fully operational.

The Acquisition will be funded by the Company out of the proceeds of the bond issue in 2010.

UNQUOTE



Louis de Gabriele - Company Secretary