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If you have sold or otherwise transferred all of your Existing Ordinary Shares in Camper & Nicholsons Marina Investments Ltd, please immediately forward this document, together with the accompanying Application Form (in respect of shares held in certificated form) but not any Form of Proxy, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

This document is not a prospectus for the purposes of the Prospectus Rules. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (“FCA”), pursuant to sections 85 and 87 of FSMA, London Stock Exchange plc or any other authority or regulatory body.

The Existing Ordinary Shares are admitted to trading on AIM. Application will be made to London Stock Exchange plc for the Offer Shares to be admitted to trading on AIM. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM Securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. London Stock Exchange plc has not itself examined or approved the contents of this document.

It is expected that admission to AIM and dealings in the New Ordinary Shares will commence on 7 May 2013.

CAMPER & NICHOLSONS MARINA INVESTMENTS LIMITED

(Incorporated in the Island of Guernsey with Registered Number 45700)

Subscription and Open Offer of up to 61,540,743 Ordinary Shares at 6.5 pence per share on the basis of 0.5752 Offer Shares for every 1 Existing Ordinary Share,

Approval of the Waiver by the Takeover Panel

and

Notice of Extraordinary General Meeting

This document should be read as a whole. Your attention is drawn to the letter from the Chairman of CNMI which is set out in Part I of this document.

This document does not constitute an offer for sale or an invitation to subscribe for, or the solicitation of an offer to buy or subscribe for, Offer Shares in any jurisdiction where such an offer or solicitation is unlawful and, subject to certain exceptions, is not for distribution in or into the United States, Australia, Canada, South Africa, New Zealand or Japan. Less than 3 per cent. of the Company’s Ordinary Shares are held in each of the aforementioned jurisdictions at the time of posting this document. The Offer Shares will not be registered under the United States Securities Act of 1933 (as amended) or under the securities laws of any state of the United States or qualify for distribution under any of the relevant securities laws of Canada, Australia, New Zealand, South Africa or Japan, nor has any prospectus in relation to the Offer Shares been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Overseas Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this document to a jurisdiction outside the UK should seek appropriate advice before taking any action.

The New Ordinary Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the Existing Ordinary Shares after Admission.

finnCap Ltd, which is regulated in the United Kingdom by the FCA and is a member of the London Stock Exchange is acting as nominated adviser and broker to the Company and for no one else in connection with the Subscription and Open Offer and will not regard any other person (whether or not a recipient of this document) as its client in relation to the Subscription and Open Offer and will not be responsible to anyone other than CNMI for providing the protections afforded to clients of finnCap Ltd, or for providing advice in relation to the Subscription and Open Offer or any transaction or arrangement referred to in this document. finnCap Ltd is not underwriting the Subscription or Open Offer. No representation or warranty, express or implied, is made by finnCap Ltd as to the accuracy, completeness or fairness of any information in this document and finnCap Ltd accepts no responsibility or liability for this document and accordingly disclaims all and any liability, whether arising in tort, contract or otherwise, which it might otherwise be found to have in respect of this document.

The Open Offer closes at 11.00 a.m. on 1 May 2013. If you are a Qualifying Shareholder and wish to apply for Offer Shares under the Open Offer you should follow the procedure set out in Part II of this document and, where relevant, complete and return the accompanying Application Form. If Qualifying Shareholders have any queries on the procedure for acceptance and payment, or to receive another Application Form they should contact Computershare on +44 (0)870 707 4040. Calls to the Computershare +44 (0)870 707 4040 number are charged at approximately 10 pence per minute (including VAT) from a BT landline, other telephone provider costs may vary. If Shareholders have a query regarding the Form of Proxy, they should contact Anson Registrars on +44 (0)1481 711301 or, if calling from outside the United Kingdom, +44 (0) 870 889 3201. Calls to the Computershare and Anson Registrars numbers from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored for security and training purposes. Computershare and Anson Registrars cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice). Computershare and Anson Registrars will not give Qualifying Shareholders any other advice in connection with the Open Offer.

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ENCLOSURES

Application Form, if applicable
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DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

“Act”	the Companies Act 2006, as amended
“Admission”	admission of the Offer Shares and Subscription Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM rules for Companies published by the London Stock Exchange from time to time
“Anson Registrars”	Anson Registrars Limited
“Application Form”	the application form to be used by Qualifying non-CREST Shareholders in connection with the Open Offer
“Articles”	the articles of association of the Company (as amended from time to time)
“Basic Entitlement”	the entitlement of Qualifying Shareholders to apply for Open Offer Shares on the basis of 0.5752 Offer Shares for every 1 Existing Ordinary Share
“Business Day”	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England
“certificated form” or “in certificated form”	an Ordinary Share recorded on a Company’s share register as being held in certificated form (namely, not in CREST)
“Change of Control”	the acquisition of a controlling interest in the Company (as defined in section 1124 of the Corporation Tax Act 2010) by any person or persons acting in concert (as defined in the Takeover Code) with them or where there is a change of control by reason of a transaction treated for the purposes of the AIM Rules as one of, a reverse takeover, a fundamental change of business or a substantial transaction
“Circular”	this document containing information about the Subscription, Open Offer, the Whitewash and the Extraordinary General Meeting
“Closing Price”	the closing middle market quotation of a share as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange
“CNFE”	Camper & Nicholsons First Eastern Limited
“CNGL”	Camper & Nicholsons Grenada Limited
“Company” or “CNMI”	Camper & Nicholsons Marina Investments Limited
“Computershare”	Computershare Investor Services PLC
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the operator (as defined in those regulations)

“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, Crest International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline rules, CREST Courier and Sorting Services Manual, Daily Timetable, CREST Application Procedures and CREST Glossary of Terms (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended) as published by Euroclear
“CREST Member”	a person who has been admitted to Euroclear as a system participant (as defined in the CREST Regulations)
“CREST Participant”	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
“CREST Payment”	shall have the meaning given in the CREST Manual issued by Euroclear
“CREST sponsor”	a CREST Participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)
“Debt Service Coverage Ratio Covenant”	a covenant in the loan agreement between CNGL and Scotia Bank regarding the quarterly measurement of the ratio of EBITDA for any fiscal period to debt service for the same fiscal period
“Directors” or “Board”	the directors of the Company as at the date of this document whose names are set out on page 11 of this document, or any duly authorised committee thereof
“Enlarged Issued Share Capital”	the 141,784,358 Ordinary Shares in issue immediately following Admission
“Euroclear”	Euroclear UK & Ireland Limited
“Excess Applications”	any application for Open Offer Shares pursuant to the Excess Application Facility
“Excess Application Facility”	the facility under which Qualifying Shareholders can apply to subscribe for up to such number of additional Offer Shares in excess of their Basic Entitlement as equals 33.3 per cent. of their Basic Entitlement subject to the terms and conditions set out in Part II of this document
“Excess CREST Entitlement”	in respect of each Qualifying CREST Shareholder, the entitlement to apply for Offer Shares in excess of its Basic Entitlement which will be credited to their stock account in CREST, pursuant to the Excess Application Facility, provided that the Qualifying CREST Shareholder has agreed to take up its Basic Entitlement in full and on the basis that such application may be scaled back in accordance with the terms of the Open Offer
“Excess non-CREST Entitlement”	in respect of each Qualifying non-CREST Shareholder, the entitlement to apply for Offer Shares in excess of its Basic Entitlement pursuant to the Excess Application Facility, provided that the Qualifying non-CREST Shareholder has agreed to take up its Basic Entitlement in full and on the basis that such application may be scaled back in accordance with the terms of the Open Offer

“Excess Entitlement”	the Excess CREST Entitlement and/or the Excess non-CREST Entitlement, as the context requires
“Existing Ordinary Shares”	the 80,243,615 Ordinary Shares in issue at the date of this document, all of which are admitted to trading on AIM
“Extraordinary General Meeting”	the Extraordinary General Meeting of the Company convened for 9.30 a.m. on 3 May 2013
“FE Marina Investments”	First Eastern Marina Investments Limited
“First Eastern Holdings”	First Eastern (Holdings) Limited
“finnCap”	finnCap Ltd, the Company’s nominated adviser and broker
“FCA”	the UK Financial Conduct Authority
“Form of Proxy”	the form of proxy for use in connection with the Extraordinary General Meeting which accompanies this document
“FSMA”	the Financial Services and Markets Act 2000 (as amended from time to time)
“Fundraising”	together the Subscription and the Open Offer
“Fundraising Resolution”	the resolution set out in the Notice of Extraordinary General Meeting authorising the Directors to allot and issue Ordinary Shares for the purposes of the Fundraising at the Issue Price notwithstanding that the Issue Price is at a discount of greater than 5 per cent. to the prevailing price per Ordinary Share immediately prior to the announcement of the Proposals
“GHM”	Grand Harbour Marina plc
“Group”	the Company and its existing subsidiaries and subsidiary undertakings
“IC Cesme”	IC Çeşme Marina Yatırım Turizm ve İşletmeleri Anonim Şirketi
“Independent Directors”	the Directors other than Clive Whiley
“Independent Shareholders”	the Shareholders other than FE Marina Investments
“Isbank”	Türkiye İş Bankası A.Ş., Ankara Branch
“ISIN”	International Securities Identification Number
“London Stock Exchange”	London Stock Exchange plc
“Member Account ID”	the identification code or number attached to any member account in CREST
“Money Laundering Regulations”	the Money Laundering Regulations 2007 (SI 2007/2157) (as amended)
“New Ordinary Shares”	the Offer Shares and the Subscription Shares
“Notice of Extraordinary General Meeting” or “Notice”	the notice of Extraordinary General Meeting set out at the end of this document
“Offer Price”	6.5 pence per New Ordinary Share

“Offer Shares”	up to 46,156,128 Ordinary Shares which are to be made available for subscription by Qualifying Shareholders under the Open Offer
“Open Offer”	the offer to Qualifying Shareholders to subscribe for the Offer Shares at the Offer Price, as described in this document
“Open Offer Entitlements”	the entitlement of Qualifying Shareholders to apply for Open Offer Shares on the basis set out in this document
“Ordinary Shares”	ordinary shares of no par value in the capital of the Company
“Overseas Shareholders”	Shareholders resident in, or citizens of, jurisdictions outside the United Kingdom
“PBT”	profits before taxation
“Proposals”	the proposals set out in this document including the Subscription, the Open Offer and the Whitewash
“Prospectus Rules”	the Prospectus Rules published by the FCA
“Qualifying CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in uncertificated form
“Qualifying non-CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the Record Date (other than Shareholders resident in or citizens of any Restricted Jurisdiction)
“Receiving Agent”	Computershare Investor Services PLC
“Record Date”	5.00 p.m. on 10 April 2013
“Registrars”	Anson Registrars Limited
“Resolutions”	the Fundraising Resolution and the Whitewash Resolution
“Restricted Jurisdiction”	the United States, Australia, Canada, Japan, New Zealand, the Republic of South Africa and any other jurisdiction where the extension or availability of the Open Offer would breach any applicable law
“RIS”	a regulatory information service approved by the London Stock Exchange for the purposes of the AIM Rules
“Scotia Bank”	the Bank of Nova Scotia
“Securities Act”	the US Securities Act of 1933, as amended from time to time and the rules and regulations promulgated thereunder
“Shareholders”	holders of Ordinary Shares
“Subscription”	the subscription for the Subscription Shares by First Eastern Holdings (or FE Marina Investments) on and subject to the terms and conditions of the Subscription and Open Offer Agreement
“Subscription and Open Offer Agreement”	the subscription and open offer agreement dated 19 March 2013 entered into between the Company and First Eastern Holdings pursuant to which (a) First Eastern Holdings has agreed to subscribe

(or procure that FE Marina Investments subscribes) for and the Company has agreed to issue to First Eastern Holdings (or FE Marina Investments, as the case may be) (i) the Subscription Shares and (ii) 46,156,128 Ordinary Shares less the number of Ordinary Shares validly allotted and issued to Shareholders pursuant to the Open Offer, and (b) the Company has agreed to make the Open Offer on the terms referred to in this document

“Subscription Shares”	15,384,615 New Ordinary Shares issued at the Offer Price pursuant to the Subscription
“Takeover Code”	The City Code on Takeovers and Mergers issued by the Takeover Panel, as amended from time to time
“Takeover Panel”	the Panel on Takeovers and Mergers
“Term Facility”	the term facility in the sum of €9,249,386 advanced to IC Cesme by Isbank pursuant to an agreement dated 7 April 2010 entered into between the Company and IC Cesme
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction
“uncertificated” or “in uncertificated form”	an ordinary share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Regulations 2001, may be transferred by means of CREST
“Waiver”	the waiver of the requirements of Rule 9 of the Takeover Code described in paragraph 9 of Part I of this document
“Whitewash”	the approval of the Waiver by the Takeover Panel
“Whitewash Resolution”	the resolution to be set out in the Notice to be proposed at the Extraordinary General Meeting for approval by the Independent Shareholders on a poll of the Takeover Panel’s waiver of the obligation that would otherwise arise on First Eastern Holdings and/or FE Marina Investments to make a general offer to all the Shareholders pursuant to Rule 9 of the Takeover Code as a result of the proposed participation by First Eastern Holdings in the Fundraising

A reference to £ is to pounds sterling, being the lawful currency of the UK.

SUBSCRIPTION AND OPEN OFFER STATISTICS

Offer Price	6.5p
Number of Existing Ordinary Shares in issue at the date of this document	80,243,615
Number of Subscription Shares	15,384,615
Number of Offer Shares	46,156,128
Number of New Ordinary Shares	61,540,743
Enlarged Issued Share Capital	141,784,358
Gross proceeds of the Subscription and Open Offer ^{1, 2}	£4,000,148
Estimated net proceeds of the Open Offer receivable by the Company ^{1, 2}	£3,850,000
Percentage of the Enlarged Issued Share Capital represented by the Subscription Shares ¹	10.85 per cent.
Percentage of the Enlarged Issued Share Capital represented by the Offer Shares ¹	32.55 per cent.
Percentage of the Enlarged Issued Share Capital represented by the New Ordinary Shares ¹	43.40 per cent.

Notes

- (1) Statistics are prepared on the basis that all of the Offer Shares are subscribed for and that no Ordinary Shares (other than the Offer Shares) are issued following the date of this document and before the completion of the Subscription and Open Offer.
- (2) Admission and dealings in the Offer Shares are conditional on the passing of the Resolutions at the Extraordinary General Meeting.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Record Date	5.00 p.m. on 10 April 2013
Announcement of Subscription and Open Offer	20 March 2013
Dispatch of this document	12 April 2013
Existing Ordinary Shares marked 'ex' by the London Stock Exchange	15 April 2013
Open Offer Entitlements credited to CREST accounts of Qualifying CREST Shareholders	15 April 2013
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 26 April 2013
Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 26 April 2013
Recommended latest time for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 25 April 2013
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate)	11.00 a.m. on 1 May 2013
Latest time and date for receipt of Forms of Proxy for the Extraordinary General Meeting	9.30 a.m. on 1 May 2013
Extraordinary General Meeting	9.30 a.m. on 3 May 2013
Expected date of Admission and commencement of dealings in Offer Shares	8.00 a.m. on 7 May 2013
CREST accounts to be credited with Offer Shares	8.00 a.m. on 7 May 2013
Share certificates dispatched by	21 May 2013

Save for the date of publication of this document, each of the times and dates above are subject to change. Any such change, including any consequential change in the Subscription and Open Offer statistics above, will be notified to Shareholders by an announcement on a Regulatory Information Service.

PART I

LETTER FROM THE CHAIRMAN OF THE COMPANY

CAMPER & NICHOLSONS MARINA INVESTMENTS LIMITED

(Incorporated in the Island of Guernsey with Registered Number 45700)

Directors

Sir Christopher Lewinton (*Chairman*)
Clive Whiley (*Director*)
Roger Lewis (*Non-Executive Director*)
Trevor Ash (*Non-Executive Director*)
Martin Bralsford (*Non-Executive Director*)

Registered Office:

Island House
Grande Rue
St Martins
Guernsey
GY4 6RU

12 April 2013

To Shareholders

Dear Shareholder,

**Subscription and Open Offer of up to 61,540,743 Ordinary Shares at 6.5 pence per share on the basis of 0.5752 Offer Shares for every 1 Existing Ordinary Share,
Approval of the Waiver by the Takeover Panel
and
Notice of Extraordinary General Meeting**

1. Introduction

The Company announced on 20 March 2013 that it proposes to raise approximately £4.0 million (£3.85 million net of expenses) by way of a Subscription and Open Offer. Owing to the size of the Fundraising and to the need for approval of the Waiver, there will be an Extraordinary General Meeting, convened for 9.30 a.m. on 3 May 2013, at which Shareholders will be asked to approve the Resolutions required to give effect to the Subscription and Open Offer. In order to show their support for the ongoing development of the business, the Directors intend to subscribe for their full Basic Entitlement.

The purpose of this document is to provide information on the background to the Company's current position, to explain why the Board considers that the Fundraising is in the best interests of Shareholders as a whole and to provide you with details of and to seek your approval of the Resolutions necessary to implement the Fundraising.

In particular, the Independent Shareholders will be asked to waive an obligation on First Eastern Holdings which would arise under Rule 9 of the Takeover Code as a result of its subscription for New Ordinary Shares pursuant to the Fundraising.

The terms of the Open Offer, and the steps required for Qualifying Shareholders to participate, are set out in Part II of this document.

Shareholders' attention is particularly drawn to paragraph 3 of this Part I which sets out the current funding available to the Company. As described below, due to slow berth sales at Port Louis Marina, Grenada, Camper & Nicholson's Grenada Limited ("CNGL") is not generating sufficient cash to enable it to fund capital repayments due to Scotia Bank pursuant to the terms of a loan provided to it. This has resulted in historic breaches of the Debt Service Coverage Ratio Covenant which Scotia Bank has previously waived. Absent the Fundraising, the next such breach of this covenant would have occurred on 31 March 2013 and Scotia Bank has agreed a temporary waiver of such breach and confirmed that it will waive such breaches permanently conditional upon a cash deposit being lodged

which will not be possible without completion of the Fundraising. Although the Company has historically enjoyed a strong relationship with Scotia Bank and is confident of its continued support, if such waiver is not granted, Scotia Bank will be entitled to take action under the debenture granted in its favour which ultimately has full recourse to the Company's balance sheet and, if enforced, would as a consequence mean that it would not be appropriate for the accounts to be prepared on a going concern basis. Accordingly, Shareholders should be aware that if the Resolutions are not passed and the Fundraising does not proceed, there could be a consequent negative impact on the Company's ability to trade in its current form.

2. Background to and Reasons for the Fundraising

The Company's Ordinary Shares were admitted to trading on AIM in January 2007 with the Company's investment objective being to generate returns primarily through capital appreciation of real estate assets with, additionally, the potential for dividends over the medium and long term. It pursued this objective through the acquisition, development, redevelopment and operation of an international portfolio of both new and existing marinas and marina-related real estate.

However, the challenging economic climate since late 2008 has made it difficult to generate returns through capital appreciation and, moreover, the Company's constrained capital base and funding structure has imposed ever increasing pressure on its operating activities.

Although the Company has acquired and subsequently invested significant capital into what the Directors believe to be intrinsically good assets and the intangible capital residing in the business, the Directors also believe that the Company needs to adopt more active management of the assets and to pay greater attention to the generation of shorter term returns and cash flow.

At the end of 2012, the Company undertook a board reorganisation culminating in the appointment of Clive Whiley as CEO in December 2012.

Following a preliminary review of the assets and operations, the Board has concluded that the business and assets are currently undervalued due to the lack of focus in ensuring that the operations are performing profitably from day to day and are cash generative.

Accordingly, the Board has sought to strengthen the Company through a significant cost saving programme, which coupled with a simplified management structure, has the objective of cutting annualised costs by €1 million. In doing so, this has given clear leadership and, with the management team, a more detailed review of the business has been conducted in order to develop a strategy for realising the underlying value in the Company for the benefit of its Shareholders.

The Board believes that, with the benefit of the Fundraising and the identified cost savings, the Company:

- has a reasonable prospect of achieving above-inflation revenue growth for the foreseeable future;
- should trade on a positive operating cash-flow basis in 2013, without the need for berth sales;
- should have adequate working capital for the next two years whilst it seeks to address the repayment of debt through berth and other asset sales and/or its refinancing because the Company will be more able to support some debt through profitable trading operations; and
- can build a platform for sustainable profitability into the future, with the upside of one-off berth sales being an additional benefit.

The Board is of the firm opinion that the Fundraising is both necessary and in the best interests of the Company as it will:

- ensure that the Company has sufficient funds to facilitate the removal of the Debt Service Coverage Ratio covenant on the Scotia Bank loan to CNGL and to meet loan capital repayments as they fall due in both 2013 and 2014;

- cover the one-off costs of restructuring the business required to generate target cost savings for the business to become operating cash flow positive; and
- fund the working capital requirement, of some US\$750,000, to support accelerated growth in the Company's rest of world third party business and in CNFE, its Hong Kong based joint venture.

The new corporate development plan, which has been endorsed by senior management, is designed to optimise the value of the Company's principal assets as the Board seeks to restore Shareholder value. **The objective of the Fundraising is to clear a path to facilitate a balanced approach to debt reduction, capital investment and the restoration of Shareholder value through both share price appreciation and distributions to Shareholders.**

3. Funding

The Company's indebtedness, as at 31 December 2012, is as set out below:

	<i>Interest Rate at 31 December 2012 per cent.</i>	<i>Interest Rate at 31 December 2011 per cent.</i>	<i>Due 2013 €</i>	<i>Due 2014 €</i>	<i>Due 2015 & 2016 €</i>	<i>Due 2017 & 2018 €</i>	<i>Due 2019 & 2020 €</i>	<i>Total €</i>
Scotia Bank Loan A	3.31	3.40	1,503,900	1,804,680	167,174	–	–	3,475,754
Scotia Bank Loan B	5.70	5.70	–	–	5,684,400	–	–	5,684,400
Isbank Loan*	7.17	7.26	489,674	489,674	979,348	979,348	734,508	3,672,552
Isbank Sub-Loan*	1.40	1.40	457,500	457,500	915,000	915,000	686,249	3,431,249
Bank Overdraft	5.00	5.00	15,250	–	–	–	–	15,250
Unsecured 7 per cent. Bond	7.00	7.00	–	–	–	–	11,654,570	11,654,570
Other Loan	5.61	6.71	162,750	–	–	–	–	162,750
Total			<u>2,629,074</u>	<u>2,751,854</u>	<u>7,745,922</u>	<u>1,894,348</u>	<u>13,075,327</u>	<u>28,096,525</u>

*The figures disclosed represent the Group's 45 per cent. share of the outstanding Isbank Loans.

Scotia Bank Loan:

The Scotia Bank loan in respect of CNGL is secured by a debenture stamped for US\$15,000,000 or equivalent charge over the fixed assets, goodwill, and uncalled capital of CNGL and a floating charge over all other assets.

The loan comprises two parts, Scotia Bank Loan A and Scotia Bank Loan B, with the two parts having different repayment profiles. Scotia Bank Loan A, originally for US\$7,500,000, is repayable in quarterly instalments that commenced on 30 June 2010 with the final payment due in June 2015. Scotia Bank Loan B, also for US\$7,500,000, on which the interest rate is fixed at 5.7 per cent. per annum, is repayable by a single bullet payment due in June 2015.

As outlined above, due to slow berth sales at Port Louis Marina, Grenada, CNGL is not generating sufficient cash to enable it to fund capital repayments due to Scotia Bank pursuant to the terms of a loan provided. This has resulted in historic breaches of the Debt Service Coverage Ratio Covenant which Scotia Bank has previously waived. Absent the Fundraising, the next such breach of this covenant would have occurred on 31 March 2013 and Scotia Bank has agreed a temporary waiver of such breach and confirmed that it will waive such breaches permanently conditional upon a cash deposit being lodged which will not be possible without completion of the Fundraising. Although the Company has historically enjoyed a strong relationship with Scotia Bank and is confident of its continued support, if such waiver is not granted Scotia Bank will be entitled to take action under the debenture granted in its favour which ultimately has full recourse to the Company's balance sheet and, if enforced, would as a consequence mean that it would not be appropriate for the accounts to be prepared on a going concern basis. Accordingly, Shareholders should be aware that if the Resolutions are not passed and the Fundraising does not proceed, there could be a consequent negative impact on the Company's ability to trade in its current form.

Isbank Loan:

The Isbank Term Facility is provided to IC Cesme in the amount of €9,249,386. This loan is repayable in semi-annual instalments which commenced in December 2011. In addition to the Term Facility, Isbank provided a loan in the form of a General Cash and Non-Cash Credit Agreement (the “Subordinated Loan”) with a maximum facility of €10 million. The Subordinated Loan is secured against cash pledges and guarantees by the IC Cesme shareholders and is repayable commensurate with the Term Facility. The Company acts as a guarantor and sponsor of IC Cesme’s repayment obligations under the Term Facility and the Subordinated Loan to the extent of 45 per cent. of any non-payment.

GHM Bond:

During the period ended 31 December 2010, GHM issued €10,000,000 bonds, with an over-allotment option of €2,000,000 bearing an interest rate of 7 per cent., redeemable on 25 February 2020 and subject to an early redemption option that may be exercised by GHM between 2017 and 2020. As at 31 December 2012, the outstanding balance related to these bonds was €11,654,570.

Overdraft:

The bank overdraft in respect of GHM is secured by:

- a first general hypothec for €1,747,030 on an overdraft basis over all assets, present and future given by GHM; and
- a first special hypothec for €1,747,030 on an overdraft basis over the temporary utile dominium for 99 years commencing from 2 June 1999 over the land measuring 1,410 square metres at Cottonera Waterfront Vittoriosa.

4. Current Trading and Prospects

The Company’s unaudited 2012 Results, which were released on 20 March 2013, show improved performance, with turnover (including berth sales) up by over 50 per cent. to €11.0 million and losses reduced from €15.3 million to €5.3 million. Indeed, excluding berth sales, turnover was up by 30 per cent. from €6.0 million to €7.8 million. More importantly, operating activities generated positive cashflow of €0.6 million (2011 – cash outflow €2.8 million), albeit that after the repayment of borrowings and interest net cash outflows were over €3.0 million. Significant matters to report are that:

- Each of the Company’s three marinas showed improving performance. Grand Harbour Marina, which achieved a €3.1 million berth sale in December, generated a profit before tax. IC Cesme, with significant revenue increases, was close to being breakeven at PBT. Before and after non-cash impairment charges, Port Louis reduced its loss before tax.
- Revenues from the Company’s third party marina business increased by 73 per cent. in 2012 to €1.6 million (2011: €0.9 million) which included a first full year contribution of €0.1 million from CNFE, the Company’s Hong Kong based joint venture. In Europe three new management services agreements were signed during the year, two in Italy and one in Greece, which, alongside initial progress in the Asia Pacific region, is encouraging for future revenue.
- The loss before tax and before the impairment charge improved from the €5.1 million loss (7.6 Euro cents per Ordinary Share) reported in 2011 to €1.6 million (2.0 Euro cents per Ordinary Share).

In addition, each of the Company’s marinas continues to service its clients to the high standards which should enable occupancy to grow and generate continued year on year tariff increases.

5. Use of Proceeds

The net proceeds from the Fundraising will be used to:

- provide a cash deposit of US\$655,000, to facilitate the removal of the Debt Service Coverage Ratio Covenant given to Scotia Bank, that would otherwise have been breached on 31 March 2013 and secure a permanent waiver of prior breaches and, additionally, to be available as security for capital

and interest payments as they fall due through to the bullet repayment of US\$7,500,000 due to Scotia Bank on 30 June 2015;

- fund the estimated working capital requirement, of some US\$750,000, needed to support the accelerated revenue growth anticipated in the Company's Hong Kong joint venture;
- provide some additional working capital to fund revenue growth in the Rest of the World Third Party Business;
- cover the one-off costs associated with the restructuring necessary to generate the targeted cost savings for the business to become operating cash flow positive; and
- provide general working capital for use across the Company and the Group.

The Fundraising will also allow the Board to optimise the value of the Company's principal assets from a position of not being a distressed seller and of having a cohesive and self-sustaining strategic plan.

6. Subscription and Open Offer

The Company is proposing to issue up to 61,540,743 New Ordinary Shares through the Subscription and Open Offer at an Offer Price of 6.5 pence per share, raising in aggregate £4 million (£3.85 million net of expenses), of which 15,384,615 New Ordinary Shares, being 25 per cent. of the New Ordinary Shares, will be placed firm with First Eastern Holdings.

The Offer Price of 6.5 pence represents a discount of 38.09 per cent to the closing price of 10.5 pence per Ordinary Share on 19 March 2013 (being the last trading day prior to the announcement of the Subscription and Open Offer) and a discount of 28.00 per cent to the average closing price over the 30 days prior to the announcement of the Subscription and Open Offer of 9.0 pence per Ordinary Share.

The Open Offer is being made to Qualifying Shareholders on the register on the Record Date. The Open Offer provides Qualifying Shareholders with the option to subscribe for Offer Shares at a price of 6.5 pence per Offer Share. Each Qualifying Shareholder is entitled to apply for his Basic Entitlement of Offer Shares (which is calculated pro-rata to his holding of Ordinary Shares in the Company on the Record Date). Qualifying Shareholders are also entitled to apply for more than their Basic Entitlement via the Excess Application Facility up to a maximum number of additional Offer Shares equivalent to a multiple of 33.3 per cent. of their Basic Entitlement. Any satisfaction of Excess Applications will be dependent on the take-up by other Shareholders and may be scaled back accordingly in the Directors' absolute discretion in accordance with the terms of the Open Offer.

First Eastern Holdings has underwritten the Open Offer by undertaking in the Subscription Agreement that it will subscribe for any Offer Shares not taken up by Qualifying Shareholders, either through their Basic Entitlement or through Excess Applications. Accordingly, the Company is assured of receiving the full amount of the Fundraising through the Subscription (£1 million) and the Open Offer (£3 million).

Any participation in the Open Offer by Shareholders will reduce First Eastern Holdings' underwriting commitment. In order to show their support for the ongoing development of the business, the Directors intend to subscribe for their full Basic Entitlement under the Open Offer.

Qualifying Shareholders are invited to apply for Offer Shares under the Open Offer at a price of 6.5 pence per Offer Share, payable in full on application and free of all expenses, *pro rata* to their existing shareholdings on the basis of:

0.5752 Offer Shares for every 1 Existing Ordinary Share

held at the Record Date and so on in proportion for any other number of Existing Ordinary Shares then held. Basic Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Offer Shares. Fractional entitlements which would have otherwise arisen will not be issued.

The Open Offer is subject to the satisfaction, amongst other matters, of the following conditions on or before 7 May 2013 (or such later date being not later than 31 July 2013, as the Company may decide):

- passing of the Fundraising Resolution;
- passing of the Whitewash Resolution;
- to the extent that Offer Shares are to be issued pursuant to the Open Offer, Admission becoming effective by 8.00 a.m. on 7 May 2013 (or such later time or date not being later than 8.00 a.m. on 31 July 2013 as the Company may decide).

The Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of Admission.

Settlement and dealings

Application will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that such Admission will become effective and that dealings will commence on 7 May 2013. Further information in respect of settlement and dealings in the New Ordinary Shares is set out in paragraph 7 of Part II of this document.

Overseas Shareholders

Certain Overseas Shareholders may not be permitted to subscribe for Offer Shares pursuant to the Open Offer and should refer to paragraph 6 of Part II of this document.

7. First Eastern Holdings

First Eastern Holdings became the largest Shareholder in the Company in August 2011, through its 66.78 per cent. owned subsidiary company FE Marina Investments, which made an investment of approximately £4.2 million for a 25 per cent. stake in the Company by a subscription of Ordinary Shares, coupled with the formation of a joint venture company to assist in the development of the Company's business in China, one of the world's fastest growing marina markets.

The remaining 33.22 per cent. of FE Marina Investments is held by The Euro-China Fund, L.P. ("Euro-China"), an exempted limited partnership formed under the laws of the Cayman Islands. The primary investment objective of Euro-China is to achieve superior returns on partnership capital by direct investments in opportunities involving a European/Chinese commercial nexus, taking advantage of the growing trade and investment flows between Europe and China. The general partner of Euro-China is FE Euro-China Partners Limited ("FE Euro-China Partners"), which is responsible for the overall management and operations of the partnership and the making and realisation of investments. FE Euro China Partners is a private company registered under the laws of the Cayman Islands and is indirectly owned as to 90 per cent. by Mr. Victor Chu Chairman and founder of First Eastern Holdings and as to 10 per cent. by Ms. Elizabeth Kan, Managing Director of First Eastern Holdings. As at 31 December 2012, Euro-China had net assets of €12.3 million.

First Eastern Holdings, which was founded in 1988 as a private investment company, is 92 per cent. owned by Victor Chu and his family, with the remaining 8 per cent. owned by Ms. Elizabeth Kan. Since its formation, First Eastern Holdings and its associates have made significant direct investments into China and, more recently, internationally, including Japan and the UK. Investments by First Eastern Holdings and its associates into the UK include shareholdings and/or joint ventures with Evolution Securities China Limited, Monitise PLC, Lulu Guinness Holdings Limited, Camper & Nicholson's Marina Investments Limited and Sustainable Development Capital LLP.

Victor Chu is the Chairman and principal shareholder of First Eastern Holdings and of other companies in Hong Kong trading under the First Eastern name, including FE Securities Ltd and First Eastern Investments Limited.

Mr Chu obtained his law degree at University College London and qualified as a solicitor in England and Hong Kong in 1982 with Herbert Smith, the City law firm. Over the last 25 years he has served, at various times, as a Director and Council Member of the Hong Kong Stock Exchange, Member of the Hong Kong

Takeovers and Mergers Panel, Advisory Committee Member of the Hong Kong Securities and Futures Commission and part-time member of the Hong Kong Government's Central Policy Unit.

Mr Chu is currently a Foundation Board Member of the World Economic Forum in Geneva and co-chairs the Forum's International Business Council. He is also Chairman of the Hong Kong – EU Business Cooperation Committee, a member of the Mayor of London's International Business Advisory Council and serves on the Boards of Zurich Insurance Group and of China Merchants China Direct Investments Ltd. In June 2011, Mr Chu was awarded the 2011 Global Economy Prize (jointly with Professor Larry Summers and then European Central Bank President Jean-Claude Trichet) by the Kiel Institute for the World Economy.

First Eastern Holdings and Mr Chu are important partners for the Company as it seeks to use the knowledge and relationships that First Eastern companies have developed over the last 20 years of operating and investing in China and the Far East. However, First Eastern Holdings is not only important to the growth of CNMI's China activities but, over the last 18 months since becoming (through FE Marina Investments) the Company's largest Shareholder, has provided significant strategic assistance and offered financial support when it was approached to assist with the current Fundraising.

The Board believes that the increased investment by First Eastern Holdings is a very clear confirmation of its continued belief in both the opportunities in China and also in the prospects for the Company generally.

8. Intentions of First Eastern Holdings

First Eastern Holdings has confirmed to the Company that it is not proposing, following any increase in its direct and indirect percentage interests in Ordinary Shares or voting rights as a result of its participation in the Fundraising, to seek any change in the composition of the Board, as currently constituted, or the general nature of the Company's business.

First Eastern Holdings has also confirmed that it has no current intention to make any changes regarding the future of the Company's business, the locations of the Company's places of business or the continued employment of its employees and management (and those of its subsidiaries) beyond those cost saving measures already contemplated by the Board following its recent review, nor does First Eastern Holdings intend that there should be any redeployment of the fixed assets of the Company. First Eastern Holdings intends that the Company should remain quoted on AIM. However, First Eastern Holdings has the right, granted pursuant to the subscription agreement entered into at the time of its initial investment in the Company in 2011 and, as yet, unexercised, to appoint and remove one person to and from the board of the Company from time to time for so long as First Eastern Holdings continues to hold 10 per cent. or more of the Company's issued share capital.

The Company views the continued long term support of the First Eastern Holdings as beneficial to CNMI.

9. Dispensation from Rule 9 of the Takeover Code

Rule 9

The Takeover Code governs, *inter alia*, transactions which may result in the change of control of a public company to which the Takeover Code applies.

Under Rule 9, any person who acquires an interest (as defined in the Takeover Code) in shares, which taken together with shares in which he is already interested and in which persons acting in concert with him are interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining Shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interest in shares are acquired by any such person or persons acting in concert with it.

An offer under Rule 9 must be made in cash and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares in the company during the 12 months prior to the announcement of the offer.

Dispensation

If First Eastern Holdings were to subscribe for all of the Subscription Shares, all Open Offer Entitlements were taken up in full by Qualifying Shareholders and FE Marina Investments took up only its Basic Entitlement, First Eastern Holdings and FE Marina Investments would, together, hold 46,984,551 Ordinary Shares representing 33.14 per cent. of the total voting rights of CNMI following the Fundraising. If First Eastern Holdings were to subscribe for all of the Subscription Shares and Open Offer Shares, First Eastern Holdings and FE Marina Investments would, together, hold 81,601,647 Ordinary Shares representing 57.55 per cent. of the total voting rights of CNMI following the Fundraising.

Therefore, on implementation of the Open Offer, the interests of First Eastern Holdings and FE Marina Investments in the Ordinary Shares could reach a potential maximum of 57.55 per cent. of the issued share capital of the Company, depending on the level of take up under the Open Offer. First Eastern Holdings' holding alone could be up to 35.27 per cent. An increase in the aggregate shareholdings of First Eastern Holdings and FE Marina Investments to over 30 per cent. of the issued shares through the Subscription on the terms referred to above would usually trigger an obligation for First Eastern Holdings and/or FE Marina Investments to make a general takeover offer for the Company to all the other Shareholders in accordance with Rule 9 of the Takeover Code at a cash price of 6.5p per Ordinary Share.

However, the Takeover Panel has agreed in principle to grant a conditional waiver that will release First Eastern Holdings and FE Marina Investments from such an obligation and will allow them to increase their aggregate shareholdings through 30 per cent. to a maximum of 57.55 per cent.. This Waiver is conditional on (i) neither First Eastern Holdings nor FE Marina Investments nor any of their concert parties acquiring any interest in any other Ordinary Shares prior to the Extraordinary General Meeting; and (ii) the passing of the Waiver Resolution by Independent Shareholders at the Extraordinary General Meeting. Voting on the Waiver Resolution will be put to a poll, as required by the Takeover Code. FE Marina Investments has undertaken that it will not vote on the Waiver Resolution in respect of its existing Ordinary Shares.

In the event that the First Eastern Holdings' and FE Marina Investments' aggregate shareholdings increase over 50 per cent. as permitted by the Waiver, First Eastern Holdings or FE Marina Investments would usually be entitled to acquire any number of additional Ordinary Shares without incurring an obligation to make a general offer to the remaining Shareholders for their Ordinary Shares. This is because, under Rule 9, where any person who (together with persons acting in concert with him) already holds over 50 per cent. of the voting rights of a company acquires an interest in shares which carry additional voting rights, then that person will not generally be required to make a general offer to the remaining Shareholders to acquire their shares. However, individual members of the concert party (being First Eastern Holdings and FE Marina Investments) will not be able to increase their percentage interests in shares through or between a Rule 9 threshold without Takeover Panel consent.

In the event that take up under the Open Offer is such that, following completion of the Fundraising the aggregate shareholdings of First Eastern Holdings and FE Marina Investments are in excess of 30 per cent. but less than 50 per cent., neither First Eastern Holdings, FE Marina Investments nor any other person acting in concert with them would be able to acquire further shares in the Company without being required to make a mandatory offer for all other Ordinary Shares under Rule 9. However, First Eastern Holdings and FE Marina Investments would retain the right to transfer Ordinary Shares between entities within the First Eastern group of companies, on the basis that such entities will be under the ultimate control of Victor Chu, save that such transfers will require the prior consent of the Takeover Panel.

10. Extraordinary General Meeting

An Extraordinary General Meeting of the Company is being convened for 9.30 a.m. on 3 May 2013 to be held at the Company's registered office at Island House, Grand Rue, St. Martins, Guernsey GY4 6RU at which the Resolutions will be proposed. The Fundraising Resolution, which is conditional on the passing of

the Whitewash Resolution, will be proposed as an ordinary resolution and requires a simple majority of the votes cast to vote in favour in order for it to be passed. The Whitewash Resolution will be proposed as an ordinary resolution and requires a simple majority of the votes cast to be cast in favour in order for it to be passed. The Whitewash Resolution will be decided on a poll. Only the Independent Shareholders shall be entitled to vote on the Whitewash Resolution.

11. Action to be taken in respect of the Extraordinary General Meeting

Please check that you have received the following with this document:

- a Form of Proxy for use in respect of the Extraordinary General Meeting; and
- a reply-paid envelope for use in connection with the return of the Form of Proxy (in the UK only).

Whether or not you propose to attend the Extraordinary General Meeting in person, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post at Anson Registrars Limited, Anson Place, Mill Court, La Charroterie, St. Peter Port, Guernsey, GY1 1EJ or, during normal business hours only, by hand, at Anson Registrars Limited, Anson Place, Mill Court, La Charroterie, St. Peter Port, Guernsey, GY1 1EJ by no later than 9.30 a.m. on 1 May 2013 (or, in the case of an adjournment of the Extraordinary General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting.

This will enable your vote to be counted at the Extraordinary General Meeting in the event of your absence. The completion and return of the Form of Proxy or the use of the CREST Proxy Voting service will not prevent you from attending and voting at the Extraordinary General Meeting, or any adjournment thereof, in person should you wish to do so.

12. Action to be taken in respect of the Open Offer

If you are a Qualifying non-CREST Shareholder you will find an Application Form accompanying this document which gives details of your Basic Entitlement and your Excess non-CREST Entitlement (i.e. the number of Offer Shares available to you). If you wish to apply for Offer Shares under the Open Offer, you should complete the enclosed Application Form in accordance with the procedure set out at paragraph 3 of Part II of this document and on the Application Form itself and post it in the accompanying envelope (for use within the UK only), together with payment in full in respect of the number of Offer Shares applied for to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS13 8AE so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 1 May 2013, having first read carefully Part II of this document and the contents of the Application Form. If you are a Qualifying CREST Shareholder you will receive a credit to your appropriate stock account in CREST in respect of your Basic Entitlement and a further credit in respect of the Excess Entitlement available. You should refer to the procedure set out at paragraph 3 of Part II of this document.

The latest time for applications to be received under the Open Offer is 11.00 a.m. on 1 May 2013. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your Open Offer Entitlement or your Open Offer Entitlement has been credited to your stock account in CREST. The procedures for application and payment are set out in Part II of this document. Further details also appear on the Application Form which has been sent to Qualifying Shareholders. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this document and the Open Offer.

If the Resolutions are not passed, the Fundraising will not proceed. The consequences of this are set out above.

13. Irrevocable undertakings

The Company has received an irrevocable undertaking to vote in favour of the Fundraising Resolution and to take up its Basic Entitlement from FE Marina Investments which has a beneficial interest of 20,060,904 Ordinary Shares representing 25 per cent. of the existing share capital of the Company.

If you are in any doubt as to the procedure for acceptance, please contact Computershare on +44 (0)870 707 4040. Calls to the Computershare +44 (0)870 707 4040 number are charged at approximately 10 pence per minute (including VAT) from a BT landline, other telephone provider costs may vary. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. Computershare cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

If you are in any doubt as to the contents of this document and/or the action you should take, you are recommended to seek your own personal financial advice from an independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are in the UK or, if you are outside the UK, from an appropriately authorised independent financial adviser, without delay.

14. Related Party Transactions

FE Marina Investments is a substantial Shareholder in CNMI, holding 25 per cent. of the voting rights of the Company and accordingly FE Marina Investments and First Eastern Holdings are considered to be related parties of the Company as defined by the AIM Rules. The participation of First Eastern Holdings in the Fundraising is therefore a related party transaction pursuant to Rule 13 of the AIM Rules. The Directors, having consulted with the Company's nominated adviser, finnCap, consider that the terms of the Fundraising and the participation by First Eastern Holdings are fair and reasonable insofar as the Company's Shareholders are concerned.

15. Recommendation

The Independent Directors:

- having consulted with finnCap, are satisfied that the terms of the Fundraising are fair and reasonable and in the best interests of the Company and Shareholders as a whole; and
- having been so advised by finnCap, consider the Fundraising, Whitewash and the Waiver to be fair and reasonable and in the best interests of Independent Shareholders and the Company as a whole.

Accordingly, the Independent Directors recommend that all Shareholders vote in favour of the Fundraising Resolution and that all Independent Shareholders vote in favour of the Whitewash Resolution to be proposed at the Extraordinary General Meeting, as they intend to do in respect of their beneficial holdings which amount to, in aggregate, 3,064,795 Ordinary Shares, representing 3.82 per cent. of the Company's issued share capital.

Mr Clive Whiley is not considered to be independent of First Eastern Holdings and has accordingly abstained from deliberating on the recommendation of the Board.

Yours faithfully,

Sir Christopher Lewinton
Chairman

PART II

DETAILS OF THE OPEN OFFER

1. Introduction

The Open Offer has been structured so as to allow Qualifying Shareholders to subscribe for Ordinary Shares at the Offer Price *pro rata* to their existing holdings. Qualifying Shareholders will be able to apply for their Basic Entitlement. In addition, Qualifying Shareholder may make applications for Ordinary Shares in excess of their Basic Entitlement under the Excess Application Facility (see below). Once Basic Entitlements have been satisfied, the Company shall, in its absolute discretion, determine whether to meet any Excess Applications in full or in part. To the extent that Offer Shares are not applied for under the Open Offer, Open Offer Entitlements will lapse and such Offer Shares shall be subscribed for by First Eastern Holdings pursuant to the terms of the Subscription and Open Offer Agreement as described in paragraph 8 of Part V of this document.

2. Offer

The Company hereby invites Qualifying Shareholders to apply, on and subject to the terms and conditions set out herein and in the Application Form (in respect of shares held in certificated form) and subject to the Articles of Association of the Company, for Offer Shares at a price of 6.5 pence per share, free from all expenses, payable in cash in full on application. The closing mid-market price for an Ordinary Share, on 11 April 2013 (being the last practicable date before the publication of this document) was 7.5 pence.

Subject to fulfilment of the conditions set out below and (in respect of shares held in certificated form) in the Application Form, Qualifying Shareholders are being given the opportunity to subscribe for Offer Shares at the Offer Price payable in full on application and free of all expenses, *pro rata* to their existing shareholdings, on the basis of:

0.5752 Offer Shares for every 1 Existing Ordinary Share

held at the Record Date and so on in proportion for any greater number of Ordinary Shares then held. Basic Entitlements of Qualifying Shareholders will be rounded down to the nearest whole number of Offer Shares. Fractional entitlements which would have otherwise arisen will not be issued.

Qualifying Shareholders may also make applications for Offer Shares in excess of their Basic Entitlement under the Excess Application Facility.

The Basic Entitlements and successful Excess Applications of Qualifying CREST Shareholders will be registered in uncertificated form and credited to their stock account in CREST. The Basic Entitlements and successful Excess Applications of Qualifying non-CREST Shareholders will be registered in certificated form and sent to Qualifying non-CREST Shareholders. Any monies paid in excess of the amount due in respect of an Excess Application will be returned to the applicant (at the applicant's risk and without interest) within 14 days by way of cheque, for Qualifying non-CREST Shareholders and through CREST for Qualifying CREST Shareholders. The action to be taken in relation to the Open Offer is described in paragraph 3 below.

The Offer Shares will, when issued and fully paid, rank *pari passu* in all respects with and will carry the same voting and dividend rights as, the Existing Ordinary Shares. The Open Offer is conditional, *inter alia*, on the passing of the Fundraising Resolution, the Whitewash Resolution and Admission. It is expected that Admission will occur and dealings in the Offer Shares will commence on 7 May 2013 (unless no Offer Shares are taken up). If such conditions are not fulfilled on or before 8.00 a.m. on 7 May 2013 (or such later date, being not later than 8.00 a.m. on 31 July 2013, as the Company may decide) application monies are expected to be returned without interest by crossed cheque in favour of the applicant(s) (at the applicant's risk) by post for Qualifying non-CREST Shareholders and through CREST for Qualifying CREST Shareholders as soon as practicable after that date and any Basic Entitlements and Excess Applications

admitted to CREST will be disabled. Any interest earned on the application monies will be retained for the benefit of the Company.

The Open Offer is not a rights issue. Qualifying Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should also be aware that in the Open Offer, unlike in a rights issue, any Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer.

Completed Application Forms (in respect of shares held in certificated form), accompanied by full payment, should be returned by post to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare, Corporate Actions Projects, Bristol BS99 6AH so as to arrive as soon as possible and in any event so as to be received no later than 11.00 a.m. on 1 May 2013.

The Offer Shares will represent approximately 32.55 per cent. of the Enlarged Issued Share Capital (assuming full take up of all Offer Shares).

Further terms of the Open Offer are set out in this Part II and, where relevant, in the Application Form.

Excess Application Facility

Qualifying Shareholders may apply for an additional amount of Offer Shares under the Excess Application Facility up to an amount equal to 33.3 per cent. of their Basic Entitlement. Such applications will only be satisfied to the extent that other Qualifying Shareholders do not take up their Basic Entitlement and may be scaled back in the Company's absolute discretion. In exercising that discretion, the Board may (but shall not be obliged to) consider satisfying Excess Applications using the following principle. The Board may determine the aggregate number of Offer Shares not validly applied for under the Basic Entitlement of all Shareholders and divide that amount (if any) by the aggregate amount of all Offer Shares validly applied for under the Excess Application Facility. It may then apply that fraction to the number of valid applications of each Shareholder under the Excess Application Facility and satisfy their Excess Entitlement accordingly. The Board may vary the above process and deal with any fractional entitlements as it thinks fit.

3. Procedure for Application

The action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your Open Offer Entitlement or you have your Open Offer Entitlement credited to your CREST stock account in respect of such entitlement.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of their Basic Entitlement and any Excess Application of such members held in CREST. CREST members who wish to apply under the Open Offer for their Basic Entitlement and, if applicable, their Excess CREST Entitlement should refer to the CREST Manual for further information on the CREST procedures referred to below.

If for any reason it becomes necessary to adjust the expected timetable as set out in this document, the Company will make an appropriate announcement to a Regulatory Information Service operated by the London Stock Exchange giving details of the revised dates.

Qualifying non-CREST Shareholders (Shareholders who hold share certificates and receive an Application Form in respect of their entitlement under the Open Offer)

General

Subject to the provisions set out in this Part II in relation to the Overseas Shareholders, Qualifying non-CREST Shareholders will have received an Application Form enclosed with this document. The Application Form shows the number of Existing Ordinary Shares registered in your name on the Record Date. It also shows your Basic Entitlement (i.e. the number of Offer Shares available to you on a *pro rata* basis) for which you are entitled to apply under the Open Offer. Qualifying non-CREST Shareholders may apply for more than their Basic Entitlement should they wish to do so, up to the maximum amount of their Excess non-CREST Entitlement.

The instructions and other terms set out in the Application Form constitute part of the terms of the Open Offer.

Market Claims

Applications may only be made on the Application Form which is personal to the Qualifying non-CREST Shareholders(s) named thereon and may not be assigned, transferred or split except in the circumstances described below. **The Application Form represents the right to apply for Offer Shares and is not a document of title and cannot be separately traded.** It is transferable only to satisfy legitimate market claims in relation to market purchases pursuant to the rules of the London Stock Exchange prior to the Existing Ordinary Shares being marked “ex” the entitlement to the Open Offer. Applications may be split or consolidated only to satisfy legitimate market claims up to 3.00 p.m. on 29 April 2013. Any Qualifying non-CREST Shareholder who has sold or transferred all or part of his holding of Existing Ordinary Shares prior to the date upon which the Existing Ordinary Shares were marked “ex” the entitlement to the Open Offer, should consult his stockbroker or other professional adviser as soon as possible since the invitation to acquire Offer Shares under the Open Offer may represent a benefit which can be claimed from him by the purchaser or transferee under the rules of the London Stock Exchange. Qualifying non-CREST Shareholders who have sold all or part of their registered holdings should, if the market claim is to be settled outside CREST, complete Box J on the Application Form and immediately send it to the purchaser or transferee or the bank, stockbroker or other agent through whom or by whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Application Form should not, however, subject to certain exceptions, be forwarded to or transmitted in or into the United States of America, Australia, Canada, South Africa, New Zealand or Japan.

Application Procedures

Qualifying non-CREST Shareholders wishing to apply for Offer Shares should complete the Application Form in accordance with the instructions printed thereon and post it in the accompanying reply paid envelope (for use within the UK only) or return it (so as to arrive by not later than 11.00 a.m. on 1 May 2013), together with payment in full for the number of Offer Shares applied for, to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS13 8AE. If you have any questions on the procedure please call the helpline+44 (0)870 707 4040. Calls to the Computershare +44 (0)870 707 4040 number are charged at approximately 10 pence per minute (including VAT) from a BT landline, other telephone provider costs may vary. Calls to this number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Computershare and Anson Registrars cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice. Applications received after 11.00 a.m. on 1 May 2013 will not be accepted.

If any Application Form is sent by first class post within the United Kingdom, Qualifying non-CREST Shareholders are recommended to allow at least four business days for delivery. The Company may elect in its absolute discretion to accept Application Forms and remittances received after 11.00 a.m. on 1 May 2013. The Company may also in its sole discretion elect to treat an Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged, even if it is not completed in accordance with the relevant instructions, or if it does not strictly comply with the terms and conditions of application. Applications will not be acknowledged.

The Company, also reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 1 May 2013 from an authorised person (as defined in FSMA) specifying the number of Offer Shares concerned and undertaking to lodge the relevant Application Form in due course.

Payments

Under the Money Laundering Regulations 2007, Computershare may be required to check the identity of persons who subscribe for in excess of the sterling equivalent of Euro 15,000.00 (approximately £13,000) of Offer Shares. Computershare may therefore undertake electronic searches for the purposes of verifying identity. To do so, Computershare may verify the details against the Applicant's identity, but also may request further proof of identity. Computershare reserve the right to withhold any entitlement (including any refund cheque) until such verification of identity is completed to its satisfaction.

Payments must be made by cheque or bankers' draft in pounds sterling drawn on a branch in the United Kingdom of a bank or building society and must bear the appropriate sort code in the top right hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to CIS PLC re: "CNMI-Open Offer A/C". Third party cheques may not be accepted with the exception of building society cheques or bankers' drafts where the building society or bank has confirmed the name of the account holder by stamping or endorsing the building society cheque/bankers' draft to such effect. The account name should be the same as that shown on the application. Cheques or bankers' drafts will be presented for payment upon receipt. The Company reserves the right to instruct Computershare to seek special clearance of cheques and bankers' drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be allowed on payments made before they are due and any interest earned on such payments will accrue for the benefit of the Company. It is a term of the Open Offer that cheques will be honoured on first presentation, and the Company may elect in its absolute discretion to treat as invalid, acceptances in respect of which cheques are not so honoured. If cheques or bankers' drafts are presented for payment before the conditions of the Open Offer are fulfilled, the application monies will be kept in a separate bank account pending fulfilment of such conditions. If all the conditions of the Open Offer have not been fulfilled or (where appropriate) waived by 8.00 a.m. on 7 May 2013 (or such later date as the Company may, in its absolute discretion, elect, but in any event not later than 8.00 a.m. on 31 July 2013), the Open Offer will lapse and application monies will be returned to applicants (at the applicants' risk), without interest, by crossed cheque in favour of the applicant(s) within 14 days after that date.

Effect of Application

All documents and remittances sent by post by or to an applicant (or as the applicant may direct) will be sent at the applicant's own risk. By completing and delivering an Application Form, you (as the applicant(s)):

- (i) agree that all applications and contracts resulting therefrom, under the Open Offer shall be governed by, and construed in accordance with, the laws of England;
- (ii) confirm that in making the application you are not relying on any information or representation other than such as may be contained in this document and you accordingly agree that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof shall have any liability for any such information or representation not contained in this document; and
- (iii) represent and warrant that if you have received some or all of your entitlements under the Open Offer from a person other than the Company, you are entitled to apply under the Open Offer in relation to such entitlements under the Open Offer by virtue of a legitimate market claim.

The instructions, notes and other terms set out in the Application Form, form part of the terms of the Open Offer.

If you do not wish to apply for any of the Offer Shares to which you are entitled under the Open Offer, you should not complete and return the Application Form.

If you are in doubt whether or not you should apply for any of the Offer Shares under the Open Offer, you should consult your independent financial adviser immediately. All enquiries in relation to the procedure for application for Qualifying non-CREST Shareholders under the Open Offer should be addressed to Computershare, Corporate Actions Projects, Bristol BS99 6AH, if you have any questions on the procedure please call the helpline on on +44 (0)870 707 4040. Calls to the Computershare +44 (0)870 707 4040 number are charged at approximately 10 pence per minute (including VAT) from a BT landline, other telephone

provider costs may vary. Calls to this number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Computershare cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

The Excess Application Facility

Provided Qualifying non-CREST Shareholders choose to take up their Basic Entitlement in full, the Excess Application Facility enables a Qualifying non-CREST Shareholder to apply for an additional amount of Offer Shares up to an amount equal to 33.3 per cent. of their Open Offer Entitlement.

To the extent that other Qualifying Shareholders do not take up their Basic Entitlement in full the Excess Application Facility will apply. If applications under the Excess Application Facility are received for more than the total amount of Offer Shares available following take up of Basic Entitlements, such applications will be scaled back accordingly in the Director's absolute discretion in accordance with the terms of the Open Offer. The Board may determine the aggregate number of Offer Shares not validly applied for under the Basic Entitlement of all Shareholders and divide that amount (if any) by the aggregate amount of all Offer Shares validly applied for under the Excess Application Facility. It may then apply that fraction to the number of valid applications of each Shareholder under the Excess Application Facility and satisfy their Excess Entitlement accordingly. The Board may vary the above process and deal with any fractional entitlements as it thinks fit.

Qualifying non-CREST Shareholders who wish to apply for additional Offer Shares in excess of their Basic Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

Qualifying CREST Shareholders (Shareholders who hold shares in CREST whose Open Offer Entitlement is credited to their stock account in CREST)

General

The Directors have applied for the Offer Shares to be admitted to CREST with effect from Admission and Euroclear has agreed to such admission. Accordingly, settlement of transactions in the Offer Shares following Admission may take place within the CREST system if the relevant Shareholder so wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so. Persons subscribing for Offer Shares as part of the Open Offer may, however, elect to receive Ordinary Shares in uncertificated form if they are a "system member" (as defined in the Uncertificated Securities Regulations 2000).

In general, the Ordinary Shares that are held in uncertificated form under CREST will be subject to the rules, regulations and procedures governing CREST and its system members as in effect from time to time. Ownership of an Ordinary Share held in uncertificated form under CREST may only be transferred in compliance with the procedures of CREST in effect from time to time.

Subject to the provisions set out in the relevant paragraph dealing with Overseas Shareholders in this Part II, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Basic Entitlement equal to the number of Offer Shares for which he is entitled to apply under the Open Offer and a separate credit of the Excess CREST Entitlement equal to 33.3 per cent. of such Shareholders' Basic Entitlement.

The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder.

If for any reason the Open Offer Entitlements cannot be admitted to CREST, or the stock accounts of Qualifying CREST Shareholders cannot be credited by 5.00 p.m. on 15 April 2013, or such later time as the Company may decide, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Basic Entitlement and Excess CREST Entitlement credited to his stock account in

CREST. In these circumstances the expected timetable as set out in this document will be adjusted as appropriate and the provisions of this document applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

CREST members who wish to apply for some or all of their entitlements to Offer Shares should refer to the CREST Manual for further information on the CREST procedures referred to below. Should you need advice with regard to these procedures, please contact Computershare on +44 (0)870 707 4040. Calls to the Computershare +44 (0)870 707 4040 number are charged at approximately 10 pence per minute (including VAT) from a BT landline, other telephone provider costs may vary. Calls to this number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Computershare cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice). If you are a CREST sponsored member you should consult your CREST sponsor if you wish to apply for Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

Market claims

The Basic Entitlement and Excess CREST Entitlement will constitute separate securities for the purposes of CREST. Although Basic Entitlements and Excess CREST Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Basic Entitlements and Excess CREST Entitlements may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a legitimate market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Basic Entitlement and the Excess CREST Entitlements will generate an appropriate market claim transaction and the relevant Basic Entitlement(s) and Excess CREST Entitlements will thereafter be transferred accordingly.

Excess Application Facility

Qualifying CREST Shareholders who wish to make applications for additional Offer Shares (in excess of their Basic Entitlement) should follow the instructions below for submitting an Unmatched Stock Event (“USE”) in respect of the Excess Application Facility.

All enquiries in connection with the procedure for making an Excess Application should be addressed to Computershare, Corporate Actions Projects, Bristol BS99 6AH. If you have any questions on the procedure please call the helpline on +44 (0)870 707 4040. Calls to the Computershare +44 (0)870 707 4040 number are charged at approximately 10 pence per minute (including VAT) from a BT landline, other telephone provider costs may vary. Calls to this number from outside the UK are charged at applicable international rates. Different charges may apply to calls made from mobile telephones and calls may be recorded and monitored randomly for security and training purposes. Computershare cannot provide advice on the merits of the Proposals nor give any financial, legal or tax advice.

USE Instructions (if applying for Ordinary Shares)

CREST members who wish to apply for Offer Shares in respect of all or some of their Open Offer Entitlements in CREST must send (or, if they are CREST sponsored members, procure that their CREST sponsor sends) a USE instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Open Offer Entitlements corresponding to the number of Offer Shares applied for; and
- (ii) the creation of a CREST payment, in accordance with the CREST payment arrangements, in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Offer Shares referred to in paragraph (i) above.

Content of USE Instructions in respect of the Basic Entitlement

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Offer Shares for which application is being made (and hence the number of the Basic Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Basic Entitlement. This is GB00B8DRZ530;
- (iii) participant ID of the accepting CREST member;
- (iv) member account ID of the accepting CREST member from which the Basic Entitlements are to be credited;
- (v) the participant ID of Computershare, in its capacity as a CREST receiving agent. This is 3RA34;
- (vi) the member account ID of Computershare, in its capacity as a CREST receiving agent. This is CAMNICMI;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Offer Shares referred to in paragraph (i) above;
- (viii) intended settlement date. This must be on or before 11.00 a.m. on 1 May 2013; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 1 May 2013.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 1 May 2013 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 7 May 2013 or such later time and date as the Company may, in its absolute discretion, elect (being no later than 8.00 a.m. on 31 July 2013), the Open Offer will lapse, the Basic Entitlements admitted to CREST will be disabled and Computershare will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

Content of USE Instructions in respect of the Excess Application Facility

The USE instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Excess CREST Entitlements for which application is being made (and hence the number of the Open Offer Shares being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Entitlements. This is GB00B95JZB07;
- (iii) the participant ID of the accepting CREST member;

- (iv) the member account ID of the accepting CREST member from which the Excess CREST Entitlements are to be credited;
- (v) the participant ID of Computershare, in its capacity as a CREST receiving agent. This is 3RA34;
- (vi) the member account ID of Anson Registrars, in its capacity as a CREST receiving agent. This is CAMNICMI;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction. This must be the full amount payable on application for the number of Offer Shares referred to in paragraph (i) above;
- (viii) the intended settlement date. This must be on or before 11.00 a.m. on 1 May 2013; and
- (ix) the Corporate Action Number for the Open Offer. This will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Excess Application Facility to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 1 May 2013.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 1 May 2013 in order to be valid is 11.00 a.m. on that day.

In the event that the Open Offer does not become unconditional by 8.00 a.m. on 7 May 2013 or such later time and date as the Company may, in its absolute discretion, elect (being no later than 8.00 a.m. on 31 July 2013), the Open Offer will lapse, the Excess CREST Entitlements admitted to CREST will be disabled and Computershare will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days thereafter. The interest earned on such monies will be retained for the benefit of the Company.

Deposit of Open Offer Entitlements into and withdrawal from CREST

A Qualifying non-CREST Shareholder's Basic Entitlement and Excess non-CREST Entitlement set out in his Application Form may be deposited into CREST (either into the account of the Qualifying non-CREST Shareholder named in the Application Form or into the name of a person entitled by virtue of a legitimate market claim). Similarly, Basic Entitlements and Excess CREST Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal, subject (in the case of a deposit into CREST) as set out in the Application Form.

A holder of an Application Form who is proposing to so deposit the Open Offer Entitlements set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up the Open Offer Entitlements prior to 11.00 a.m. on 1 May 2013.

In particular, having regard to normal processing times in CREST and on the part of Computershare, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the Open Offer Entitlements under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 3.00 p.m. on 26 April 2013, and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements from CREST is 4.30 p.m. on 25 April 2013, in either case so as to enable the person

acquiring or (as appropriate) holding the Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements prior to 11.00 a.m. on 1 May 2013.

Delivery of an Application Form with the CREST Deposit Form duly completed whether in respect of a deposit into the account of the Qualifying non-CREST Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and Computershare by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed "Instructions for Depositing entitlements under the Open Offer into CREST" on page 3 of the Application Form, and a declaration to the Company and Computershare from the relevant CREST member(s) that it/they is/are not citizen(s) or resident(s) of the United States, Australia, Canada, New Zealand, Japan or the Republic of South Africa and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a legitimate market claim.

Validity of Application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 1 May 2013 will constitute a valid application under the Open Offer.

CREST Procedures and Timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 1 May 2013. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Incorrect or Incomplete Applications

If a USE instruction includes a CREST payment for an incorrect sum, the Company through

Computershare reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Offer Shares as would be able to be applied for with that payment at the Offer Price, refunding any unutilised sum to the CREST member in question; or
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question.

Effect of Valid Application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to Computershare's payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);

- (ii) request that the Offer Shares to which he will become entitled be issued to him on the terms set out in this document and subject to the Memorandum and Articles of Association of the Company;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) represent and warrant that he is not applying on behalf of any Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States, Australia, Canada, South Africa, New Zealand or Japan and he is not applying with a view to reoffering, reselling, transferring or delivering any of the Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a citizen or resident or which is a corporation, partnership or other entity created or organised in or under any laws of the United States, Australia, Canada, South Africa, New Zealand or Japan except where proof satisfactory to the Company has been provided to the Company and that he is able to accept the invitation by the Company of any requirement which it (in its absolute discretion) regards as unduly burdensome, nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Offer Shares under the Open Offer;
- (v) represent and warrant that he is not and nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;
- (vi) confirm that in making such application he is not relying on any information in relation to the Company other than that contained in this document and agrees that no person responsible solely or jointly for this document or any part thereof or involved in the preparation thereof, shall have any liability for any such other information and further agree that having had the opportunity to read this document, he will be deemed to have had notice of all the information concerning the Company contained therein; and
- (vii) represent and warrant that he is the Qualifying CREST Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements by virtue of a legitimate market claim.

Company's discretion as to Rejection and Validity of Applications

The Company may in its sole discretion:

- (i) treat as valid (and binding on the CREST member concerned) an application which does not comply in all respects with the requirements as to validity set out or referred to in this section entitled "Procedure for Application";
- (ii) accept an alternative properly authenticated dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
- (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the "first instruction") as not constituting a valid application if, at the time at which Computershare receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or Computershare have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
- (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that, for reasons or due to circumstances outside the

control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Computershare in connection with CREST.

4. Money Laundering Regulations

It is a term of the Open Offer that, to ensure compliance with the Money Laundering Regulations 2007, the money laundering provisions of the Criminal Justice Act 1993, Part VIII of the Financial Services and Markets Act 2000 and the Proceeds of Crime Act 2002 (together with the provisions of the Money Laundering Sourcebook of the FCA and the manual of guidance produced by the Joint Money Laundering Steering Group in relation to financial sector firms) (together, the “Regulations”), that Computershare may, in its absolute discretion, require verification of your identity to the extent that you have not already provided the same. Pending the provision to Computershare of evidence of your identity, definitive certificates in respect of Offer Shares may be retained at its absolute discretion. If within a reasonable time after a request for verification of identity Computershare has not received evidence satisfactory to it, the Company may, in its absolute discretion, terminate your Open Offer participation in which event the monies payable on acceptance of the Open Offer participation will, if paid, be returned without interest and net of bank charges by cheque to the applicant(s). To comply with the money laundering requirements, payment in respect of your Open Offer participation should be drawn from an account in your own name on a branch of a building society or bank in the United Kingdom and must bear the appropriate sort code in the top right hand corner. If this is not practicable and you must use a cheque or bankers’ draft drawn on a building society or bank then:

- (i) you should write your name and address on the back of the cheque and record your date of birth against your name; and
- (ii) request the building society or bank to print or write on the back of the cheque the full name and account number of the person whose building society or bank account is being debited and add their stamp.

The verification of identity requirements will not usually apply:

- (i) if the applicant is an organisation required to comply with the Money Laundering Directive (2005/60/EC of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing);
- (ii) if the acceptor is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations; or
- (iii) if the applicant (not being an applicant who delivers their application in person) makes payment by way of a cheque drawn on an account in the applicant’s name;

In other cases the verification of identity requirements may apply.

For applications over £13,000 (being the approximate equivalent to 15,000 Euros), Qualifying non-CREST Shareholders are also requested to submit with the Application Form as documentary evidence of identity and address one certified copy document from each of the following lists (as appropriate):

Personal identity documents (UK resident individuals)

- current signed passport;
- Northern Ireland Voter’s Card;
- current full UK driving licence;
- benefits book or original notification letter from the Benefits Agency confirming the right to benefit;

or

- HM Revenue & Customs tax notifications e.g. tax assessment, statement of account or notice of coding.

Evidence of address (UK resident individuals)

- recent utility bill or utility statement (mobile telephone bills are not acceptable);
- local authority tax bill (current year);
- current UK driving licence (if not used for evidence of name);
- benefits book or original notification letter from the Benefits Agency confirming the right to benefit (provided one or other has not been used as evidence of personal identity); or
- HM Revenue & Customs correspondence addressed to you at stated address (provided HM Revenue & Customs notifications have not been used as evidence of personal identity).

If you are not a UK resident individual such proof of identity may include:

- a certified copy of an official identity card; or
- a certified copy of a driving licence; or
- a certified extract from a full passport (i.e. a copy of the front cover and pages showing photograph, personal details and signature, date and place of issue and serial number); and a certified copy of satisfactory evidence of an address (e.g. utility bill or bank statement).

If you are a corporation, please supply:

- a certified copy of your articles of association or statutes or published accounts or certificate of incorporation or trade register entry or certificate of trade;
- the names, addresses and specimen signatures of all directors; and
- evidence of identity and address as stated above for each director.

All certified documents must be certified by a professional person such as a lawyer or attorney, notary or an official entity such as an embassy, consulate or high commission of the country of issue.

5. Taxation and Stamp Duty

If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction other than the United Kingdom, you should consult your professional adviser without delay.

6. Overseas Shareholders

In respect of persons not resident in the United Kingdom or who are citizens of countries other than the United Kingdom the Open Offer may be affected by the laws or regulatory requirements of jurisdictions outside the United Kingdom. It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of any relevant jurisdiction in connection with the Open Offer and voting at the Extraordinary General Meeting. No person receiving a copy of this document and/or an Application Form in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him/her nor should he/she in any event use such Application Form unless in the relevant territory such an invitation could lawfully be made to him/her or such Application Form could be lawfully be used without compliance with any registration or other legal or regulatory requirements other than any which may have been fulfilled.

In particular, the Offer Shares have not been registered under the United States Securities Act of 1933 (as amended) or the relevant securities legislation in Australia, Canada, South Africa, New Zealand or Japan and therefore the Offer Shares may not be offered, sold, transferred or delivered directly or indirectly in the United States of America, Australia, Canada, South Africa, New Zealand or Japan or their respective territories and possessions. No application form will be accepted from, any Shareholder who is unable to

give the warranty set out in the Application Form or who the Company or its agent has reason to believe is ineligible to apply.

It is the responsibility of any person receiving a copy of this document or an Application Form and wishing to make an application to subscribe for Offer Shares to satisfy himself/herself as to the full observance of the laws and regulatory requirements of any relevant territory, including the obtaining of all necessary governmental or other consents which may be required or observing any other formalities needing to be observed in such territory and the payment of any taxes due in such jurisdiction.

The Company and its agent reserves the right to treat as invalid any application, or purported application, to subscribe for Offer Shares pursuant to the Open Offer which appears to the Company or its agent to have been executed, effected or despatched in a manner which may involve a breach of the securities legislation of any jurisdiction or which does not include the warranties set out in the Application Form. Completion of an Application Form shall constitute a warranty that the Shareholder is eligible to apply.

7. Settlement and Dealings

Offer Shares

Application will be made to the London Stock Exchange for the Offer Shares to be admitted to trading on AIM. It is expected that the New Ordinary Shares will be admitted to trading on AIM and that dealings will commence on 7 May 2013. None of the Offer Shares are being made available to the public except under the terms of the Open Offer. For Qualifying non-CREST Shareholders, definitive share certificates for the Offer Shares are expected to be dispatched by first class post by 21 May 2013. For Qualifying CREST Shareholders, it is expected that the relevant account will be credited on the day of Admission. Notwithstanding any other provision of this document, the Company reserves the right to issue any Offer Shares in certificated form. This right is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Company's Registrars or Receiving Agent in connection with CREST. No temporary documents of title will be issued and pending despatch of the definitive share certificates, transfers of the Offer Shares will be certified against the register. All documents and remittances sent by or to an applicant (or his/her agent, as appropriate) will be sent through the post at the risk of the person entitled thereto.

PART III

FINANCIAL INFORMATION

The following information is incorporated by reference into this document pursuant to Rule 24.15 of the Code and is available free of charge on the Company's website at <http://www.cnmarinas.com/marina-investments>. A Shareholder may request a copy of such information in hard copy form (hard copies will not be provided unless requested). Hard copies may be requested by writing to Camper & Nicholsons Marinas Limited, Richmond Place, 15 Petersham Road, Richmond, Surrey, TW10 6TP, UK or between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) by calling +44 (0)20 3405 1782.

- (i) The unaudited preliminary results of the Company for the year ended 31 December 2012;
- (ii) The interim results of the Company for the six month period ended 30 June 2012;
- (iii) The annual report and accounts of the Company for the year ended 31 December 2011;
- (iv) The annual report and accounts of the Company for the year ended 31 December 2010; and
- (v) The annual report and accounts of the Company for the year ended 31 December 2009.

All reports referenced above can be found at the following website address:

<http://www.cnmarinas.com/marina-investments/full-list-financial-reports>

The Company's annual report and accounts listed above contain the Company's audited consolidated financial statements for the financial years ended 31 December 2011, 31 December 2010 and 31 December 2009, together with the audit report in respect of each year.

<i>Information incorporated by reference to this document</i>	<i>Reference document</i>	<i>Page number in reference document</i>
For the year to 31 December 2012		
Preliminary results announcement dated 20 March 2013		
For the Six Months ended 30 June 2012		
Interim results announcement dated 20 September 2012	Interim Results Announcement	
For the year ended 31 December 2011		
Independent auditor's report	Annual Report 2011	20
Consolidated statement of comprehensive income for the year ended 31 December 2011	Annual Report 2011	21
Consolidated statement of changes in equity for the year ended 31 December 2011	Annual Report 2011	22
Consolidated statement of financial position at 31 December 2011	Annual Report 2011	23
Consolidated cash flow statement for the year ended 31 December 2011	Annual Report 2011	24
Notes to the consolidated financial statements	Annual Report 2011	25-52

<i>Information incorporated by reference to this document</i>	<i>Reference document</i>	<i>Page number in reference document</i>
For the year ended 31 December 2010		
Independent auditor's report	Annual Report 2010	26
Consolidated statement of comprehensive income for the year ended 31 December 2010	Annual Report 2010	27
Consolidated statement of changes in equity for the year ended 31 December 2010	Annual Report 2010	28
Consolidated statement of financial position at 31 December 2010	Annual Report 2010	29
Consolidated cash flow statement for the year ended 31 December 2010	Annual Report 2010	30
Notes to the consolidated financial statements	Annual Report 2010	31-52
For the year ended 31 December 2009		
Independent auditor's report	Annual Report 2009	24
Consolidated statement of comprehensive income for the year ended 31 December 2009	Annual Report 2009	25
Consolidated statement of changes in equity for the year ended 31 December 2009	Annual Report 2009	26
Consolidated statement of financial position at 31 December 2009	Annual Report 2009	27
Consolidated cash flow statement for the year ended 31 December 2009	Annual Report 2009	28
Notes to the consolidated financial statements	Annual Report 2009	29-51

PART IV

INFORMATION ON FIRST EASTERN HOLDINGS AND ADDITIONAL DISCLOSURES REQUIRED UNDER THE TAKEOVER CODE

The information set out in this Part IV which relates to First Eastern Holdings has been accurately reproduced from information provided by First Eastern Holdings. As far as the Company is able to ascertain from this information, no facts have been omitted which would render the information in this Part IV which relates to First Eastern Holdings inaccurate or misleading.

1. Information on First Eastern Holdings

First Eastern Holdings' principal activity is as an investment holding company and it also provides management and advisory services.

1.1 Directors

The directors of First Eastern Holdings are as follows:

<i>Name</i>	<i>Function</i>
Victor Lap-Lik Chu	Director
Elizabeth Ka-Yee Kan	Director
York-Wo Lee	Director
Benjamin Tak-Jarm Tsim	Director

1.2 Incorporation and registered office

First Eastern Holdings is incorporated in Hong Kong with limited liability. Its registered office is at Suites 2105-2108, Two Exchange Square, Central, Hong Kong.

1.3 Share capital

First Eastern Holdings has an issued share capital of HK\$100, comprising 100 ordinary shares of HK\$1.00 each.

2. Disclosure of interests and dealings in shares

The interests in the Company of First Eastern Holdings, FE Marina Investments and any persons or companies acting in concert with them are set out in paragraph 2.3 of this Part IV below. There have not been any dealings by First Eastern Holdings or any persons or companies acting in concert with it in the 12 months preceding the date of this document.

2.1 Definitions

For the purposes of this Part IV:

- (a) references to persons "acting in concert" comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. A person and each of its affiliated persons will be deemed to be acting in concert with each other. Without prejudice to the general application of this definition, the following persons will be presumed to be persons acting in concert with other persons in the same category unless the contrary is established:
 - (i) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other (for this purpose ownership or control of 20 per cent. or more of the equity share capital of a company is regarded as the test of associated company status);

- (ii) a company with any of its directors (together with their close relatives and related trusts);
 - (iii) a company with any of its pension funds and the pensions funds of any company covered in (i);
 - (iv) a fund manager (including an exempt fund manager) with any investment company, unit trust or other person whose investments such fund manager manages on a discretionary basis, in respect of the relevant investment accounts;
 - (v) a connected adviser with its client and, if its client is acting in concert with an offeror or with the offeree company, with that offeror or with that offeree company respectively, in each case in respect of the interests in shares of that adviser and persons controlling, controlled by or under the same control as that adviser (except in the capacity of an exempt fund manager or an exempt principal trader); and
 - (vi) directors of a company which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent.
- (b) an “**arrangement**” includes any indemnity or option, arrangement and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- (c) a “**connected adviser**” means an organisation which is advising the Company or an associate of the Company in relation to the Proposals and any corporate broker to any such party;
- (d) “**connected person**” means in relation to any person a person whose interest in shares is one in which the first mentioned person is also taken to be interested pursuant to Part 22 of the Act;
- (e) “**control**” means a holding, or aggregate holdings, of shares in the capital of a company carrying 30 per cent. or more of the voting rights of such company, irrespective of whether the holding or holdings give *de facto* control;
- (f) “**dealing or dealt**” include:
- (i) acquiring or disposing of relevant securities, the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights allocated to relevant securities or general control of relevant securities;
 - (ii) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option in respect of any Relevant Securities;
 - (iii) subscribing or agreeing to subscribe for relevant securities (whether in respect of new or existing securities);
 - (iv) exercising or converting any relevant securities carrying conversion or subscription rights;
 - (v) acquiring, disposing of, entering into, closing out, exercising (by either party) of any rights under, or varying of, a derivative referenced directly or indirectly, to relevant securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and
 - (vii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

- (g) “**derivative**” includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security but which does not include the possibility of delivery of such underlying securities;
- (h) “**disclosure date**” means 11 April, being the latest practicable date prior to the publication of this document;
- (i) “**disclosure period**” means the period of 12 months ending on the Disclosure Date;
- (j) an “**exempt fund manager**” means a person who manages investment accounts on a discretionary basis and is recognised by the Panel as an exempt fund manager for the purposes of the Takeover Code;
- (k) an “**exempt principal trader**” means a person who is recognised by the Panel as an exempt principal trader for the purposes of the Takeover Code;
- (l) being “**interested**” in relevant securities includes where a person (otherwise than through a short position):
 - (i) owns relevant securities; or
 - (ii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control over them; or
 - (iii) by virtue of an agreement to purchase, option or derivative, has the right or option to acquire relevant securities or to call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (iv) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- (m) “**relevant securities**” means securities which comprise equity share capital (or derivatives referenced thereto) and securities convertible into rights to subscribe for and options (including traded options) in respect of any such securities; and
- (n) “**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

2.2 *Interests of First Eastern Holdings and FE Marina Investments in options in the Company*

As at the close of business on 11 April (being the latest practicable date prior to publication of this document), First Eastern Holdings, FE Marina Investments, their directors and their immediate families, related trusts and the interests of persons connected with them, held no options over Ordinary Shares:

2.3 *Interests of First Eastern Holdings and FE Marina Investments in the Company*

The maximum percentage interest in Ordinary Shares of First Eastern Holdings and FE Marina Investments collectively at the date of this document and following the, Subscription and the Open Offer assuming (a) that all Shareholders take up their Basic Entitlements; and (b) that no Shareholders take up any of their Basic Entitlements and in each case assuming no further issue of Ordinary Shares by the Company and no disposals by First Eastern Holdings or FE Marina Investments, will be as follows:

	<i>As at the date of this document</i>		<i>Following the Subscription</i>		<i>Following the Subscription and Open Offer (assuming full take up of Basic Entitlements)</i>		<i>Following the Subscription and Open Offer (assuming no take up of Basic Entitlements)</i>	
	<i>per cent. of Issued</i>		<i>per cent. of Issued</i>		<i>per cent. of Issued</i>		<i>per cent. of Issued</i>	
	<i>Ordinary Shares</i>	<i>Share Capital</i>	<i>Ordinary Shares</i>	<i>Share Capital</i>	<i>Ordinary Shares</i>	<i>Share Capital</i>	<i>Ordinary Shares</i>	<i>Share Capital</i>
First Eastern Holdings	–	–	15,384,615	16.09	15,384,615	10.85	50,001,711	35.27
FE Marina Investments	20,060,904	25.00	20,060,904	20.98	31,599,936	22.28	31,599,936	22.28
Total	20,060,904	25.00	35,445,519	37.07	46,984,551	33.14	81,601,647	57.55

2.4 **Market dealings in relevant securities of the Company by First Eastern Holdings and FE Marina Investments**

Neither First Eastern Holdings nor FE Marina Investments has made any dealings in relevant securities of the Company during the disclosure period.

2.5 **Save as disclosed in this paragraph and Part V of this document:**

- (a) Neither First Eastern Holdings nor FE Marina Investments had any interest in or right to subscribe for, nor had any short position in relation to, any relevant securities of the Company, nor had they dealt in any such relevant securities during the disclosure period;
- (b) none of the directors of First Eastern Holdings or FE Marina Investments (including any members of such director's respective immediate families, related trusts or connected persons) had an interest in or a right to subscribe for, or had any short position in relation to any relevant securities of the Company, nor had any such person dealt in such securities during the disclosure period;
- (c) no person acting in concert with First Eastern Holdings or FE Marina Investments had an interest in or a right to subscribe for, or had any short position in relation to, any relevant securities of the Company, nor had any such person dealt in any such securities during the disclosure period;
- (d) neither First Eastern Holdings, FE Marina Investments nor any person acting in concert with them had borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold.

3. **First Eastern Holdings' and FE Marina Investments' intentions regarding the Company's business**

First Eastern Holdings and FE Marina Investments have informed the Board that they currently intend to allow the Company to continue with its proposed strategy, as detailed further in Part I of this document.

Neither First Eastern Holdings nor FE Marina Investments has any current intentions regarding the Company's business that would affect:

- the strategic plans of the Company;
- the employment of the Company's or its own personnel including the continued employment of, or the conditions of employment of, any of the Company's management; or
- the location of the Company's or its own business or operating subsidiaries; or
- the Company's Ordinary Shares trading on AIM.

Neither First Eastern Holdings nor FE Marina Investments has any immediate intentions to dispose of or otherwise change the use of any of the fixed assets within the Company.

4. Relationship between First Eastern Holdings and the Directors of the Company

The Company's current Chief Executive, Clive Whiley, previously a non-executive director, was appointed as interim CEO in December 2012 following the departure of the previous Chief Executive. He is also Managing Director of Evolution Securities China Limited, which is majority owned by First Eastern Holdings.

First Eastern Holdings has the right, granted pursuant to the subscription agreement entered into at the time of its initial investment into the Company in 2011 and, as yet, unexercised, to appoint and remove one person to and from the Board of the Company from time to time for so long as First Eastern Holdings continues to hold 10 per cent or more of the Company's issued share capital.

Save as set out above, there are no relationships (personal, financial or commercial), arrangements or understandings between First Eastern Holdings or FE Marina Investments and any of the Directors.

5. Financial information on First Eastern Holdings

First Eastern Holdings is a privately owned company, whose principal activities are as an investment holding company, in which capacity it also provides some management and advisory services. First Eastern Holdings is not obliged to, nor does it, publish accounts.

First Eastern Holdings is not required to, nor does it, publish accounts. However, at 30 April 2011 it had gross assets of HK\$175.8 million (equivalent to approx. £15.2 million), being primarily investments in its investee companies, subsidiaries and associated companies. It has net assets of HK\$21.6 million (£1.9 million), with its investments being financed largely through shareholder loans and loans from related companies.

In the year ended 30 April 2011, turnover, being principally management fees from investee companies, was HK\$26.2 million (£2.3 million) (2010 – HK\$31.6 million, £2.7 million) and profit after tax was HK\$8.5 million (£0.7 million) (2010 – HK\$11.8 million, £1.0 million).

There has been no material change in First Eastern Holdings trading or financial position or in the scope of its business in the last 12 months.

6. Additional disclosures required by the Takeover Code

At the close of business on the disclosure date, save as disclosed in this paragraph 6 of Part IV and Part V of this document:

- (a) none of the Directors or directors of First Eastern Holdings or of FE Marina Investments (including any members of such directors respective immediate families, related trusts or connected persons) had any interest in or a right to subscribe for, or had any short position in relation to, any relevant securities of the Company;
- (b) no person acting in concert with the Company, First Eastern Holdings or FE Marina Investments had any interest in, or right to subscribe for, or had any short position in relation to any relevant securities of the Company;
- (c) neither the Company nor any of the Directors (including any members of such Directors respective immediate families, related trusts or connected persons) had any interest in or right to subscribe for, or had any short position in relation to any relevant securities of First Eastern Holdings or FE Marina Investments, nor has any such person dealt in any such securities during the disclosure period;
- (d) the Company has not redeemed or purchased any of its relevant securities during the disclosure period;

- (e) there were no arrangements which existed between the Company, First Eastern Holdings, FE Marina Investments or any person acting in concert with the Company, First Eastern Holdings or FE Marina Investments or any other person; and
- (f) none of the Company, First Eastern Holdings, FE Marina Investments or any person acting in concert with the Company, First Eastern Holdings or FE Marina Investments had borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold.

Neither First Eastern Holdings, FE Marina Investments nor any person acting in concert with them have entered into agreements, arrangements or understandings (including any compensation arrangement) with any of the Company's Directors, recent Directors, Shareholders, recent Shareholders or any other person interested or recently interested in Existing Ordinary Shares which are connected with or dependent upon the outcome of the Fundraising. Neither First Eastern Holdings nor FE Marina Investments has entered into an agreement, arrangement or understanding to transfer any interest acquired in the Company, as a result of the Fundraising.

PART V

ADDITIONAL INFORMATION

1. Responsibility

The Directors, whose names appear below, and the Company accept responsibility for the information contained in this document, other than information relating to First Eastern Holdings, FE Marina Investments and their respective directors and shareholders, for which directors of First Eastern Holdings accept responsibility as set out below. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of First Eastern Holdings, whose names are set out in paragraph 1.1 of Part IV of this document (other than Benjamin Tak-Jarm Tsim, who on account of illness is excluded) accept responsibility for the information contained in this document relating to First Eastern Holdings, FE Marina Investments and their respective directors and shareholders. To the best of the knowledge and belief of the directors of First Eastern Holdings (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

The Directors of the Company are:

Sir Christopher Lewinton	<i>(Chairman)</i>
Clive Whiley	<i>(Director)</i>
Roger Lewis	<i>(Non-Executive Director)</i>
Trevor Ash	<i>(Non-Executive Director)</i>
Martin Bralsford	<i>(Non-Executive Director)</i>

3. Principal Activity of the Company

The principal activity of the Company continues to be as a closed-ended investment company focused on investing in and subsequent development, redevelopment and operation of an international portfolio of both new and existing marinas and related real estate in the Mediterranean, the Caribbean and the United States.

4. Interests and dealings

In this paragraph 4, references to:

“**acting in concert**” with a party means any such person acting or deemed to be acting in concert with that party for the purposes of the Takeover Code and/or the Waiver; and

“**relevant securities**” securities which comprise equity share capital (or derivatives referenced thereto) and securities convertible into rights to subscribe for options (including traded options) in respect of any such securities.

Directors and other interests

- (a) At the close of business on 11 April 2013 (being the latest practicable date prior to the publication of this document) the voting rights (within the meaning of chapter 5 of the DTR) of the Directors and their respective families (as defined in the AIM Rules) all of which are beneficial unless otherwise stated and of connected persons within the meaning of the Act, in the issued Ordinary Shares as at the date of this document, the existence of which is known to, or could, with reasonable diligence, be ascertained by the Directors, together with the percentages which such interests represent of the Ordinary Shares in issue are as follows:

	<i>Number of Ordinary Shares</i>	<i>Per cent. of Ordinary Shares held</i>
Sir Christopher Lewinton	2,448,129	3.05
Clive Whiley	–	–
Roger Lewis	166,666	0.21
Trevor Ash	–	–
Martin Bralsford	450,000	0.56

(b) At the close of business on 11 April 2013 (being the latest practicable date prior to the publication of this document) none of the Directors and their immediate families, related trusts and the interests of persons connected with them listed below, held any options to subscribe for Ordinary Shares.

(c) The maximum percentage interest in Ordinary Shares of each of the Directors assuming (i) that they each take up their Basic Entitlements, (ii) no further issues of Ordinary Shares by the Company; and (iii) no disposals by them will be:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>Per cent. of Enlarged Issued Share Capital</i>
Sir Christopher Lewinton	3,856,293	2.72
Clive Whiley	–	–
Roger Lewis	262,532	0.19
Trevor Ash	–	–
Martin Bralsford	708,840	0.50

(d) Save as disclosed below, there have been no dealings (including borrowing or lending) for value in relevant securities by the Directors (or their immediate families, related trusts or persons connected with them) during the period of 12 months preceding the date of this document:

<i>Director</i>	<i>Date</i>	<i>Nature of dealing</i>	<i>Number of Ordinary Shares</i>	<i>Price per Ordinary Share</i>
Sir Christopher Lewinton	25 May 2012	Purchase	10,000	9p
	28 May 2012	Purchase	10,000	9p
	8 June 2012	Purchase	25,000	12p
Martin Bralsford	23 November 2012	Purchase	250,000	10p
	26 November 2012	Purchase	200,000	10p

(e) Save as disclosed in paragraph 4 (a) above, none of the Directors or any persons connected with them (within the meaning of Rule 3 of the DTR) has any interest, beneficial or non-beneficial, in the Ordinary Shares of the Company.

(f) At the close of business on 11 April 2013 (being the latest practicable date prior to the publication of this document) other than as set out in paragraph 4 (a) above and paragraph 4 (f) and so far as the Directors are aware, the only persons who are directly or indirectly interested (within in the meaning of Chapter 5 of the DTR) in 3 per cent. or more of the Ordinary Shares are as follows:

<i>Shareholder</i>	<i>Per cent. of Ordinary Shares held</i>
First Eastern Marina Investments Limited	25.00
F&C Asset Management Limited	8.23
Deutsche Bank AG	7.45
Henderson Global Investors Limited	6.35
Nicholas Maris*	6.31
Richard Griffiths	6.07
Universities Superannuation Scheme	5.61
Moore Europe Capital Management LLP	5.17
First Island Trustees Ltd*	4.05
Overseas Asset Management (Cayman) Ltd	4.01
Sir Christopher Lewinton	3.05

* First Island Trustees Limited act as trustees for the Maris Settlement, a discretionary trust of which Nicholas Maris is a potential beneficiary.

- (g) Save as disclosed above in this paragraph 4 none of the Directors or any person acting in concert with the Company has an interest in any relevant securities nor has a right to subscribe for relevant securities
- (h) None of the Directors or any person acting in concert with the Company has any short position in relation to relevant securities (whether conditional or absolute and whether in the money or otherwise and including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery);
- (i) neither the Company nor any person acting in concert with the Company has borrowed or lent relevant securities;
- (j) the Company has not redeemed or purchased any relevant securities during the period of 12 months preceding the date of this document.
- (k) Save as disclosed in this paragraph 4:
- (a) the Company had no interest in or right to subscribe for, nor had any short position in relation to, any relevant securities of First Eastern Holdings, nor had it dealt in any such relevant securities during the disclosure period;
- (b) none of the directors of the Company (including any members of such director's respective immediate families, related trusts or connected persons) had an interest in or a right to subscribe for, or had any short position in relation to any relevant securities of the First, nor had any such person dealt in such securities during the disclosure period.

5. Directors' Service Agreements, Letters of Appointment, Remuneration and Fees

5.1 The services of the Directors are provided to the Group under the following agreements:

5.1.1 Sir Christopher Lewinton (Chairman)

A letter of appointment dated 19 December 2008 and made between the Company and Sir Christopher Lewinton. The letter of appointment is for a period of 12 months commencing 19 December 2008 and thereafter may be terminated immediately by the Company in certain circumstances upon which Sir Lewinton is entitled to a termination payment equal to six months of the annual contractual fee. Sir Christopher Lewinton's appointment has since been renewed for the twelve month period to 19 December 2013. With effect from 1 January 2013, the contractual fee payable to Sir Christopher Lewinton is £65,000 per annum. Sir Christopher Lewinton will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

5.1.2 **Clive Whiley** (*Director*)

A letter of appointment dated 12 November 2012 and made between the Company and Mr Whiley. The letter of appointment is for a period of 12 months commencing 12 November 2012 and thereafter may be terminated immediately by the Company in certain circumstances upon which Mr. Whiley is entitled to a termination payment equal to six months of the annual contractual fee. With effect from 1 January 2013, the contractual fee payable to Mr Whiley is £25,000 per annum. Mr Whiley has waived his fee for 2013. Mr Whiley will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

5.1.3 **Trevor Ash** (*Non-Executive Director*)

A letter of appointment dated 20 October 2006 and made between the Company and Mr Ash. The letter of appointment is for a period of 12 months commencing 20th October 2006 and thereafter may be terminated immediately by the Company in certain circumstances upon which Mr. Ash is entitled to a termination payment equal to six months of the annual contractual fee. Mr Ash's appointment has since been renewed for the twelve month period to 20 October 2013. With effect from 1 January 2013, the contractual fee payable to Mr Ash is £28,000 per annum. Mr Ash will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

5.1.4 **Martin Bralsford** (*Non-Executive Director*)

A letter of appointment dated 29 February 2012 and made between the Company and Mr Bralsford. The letter of appointment is for a period of 12 months commencing 29 February 2012 and thereafter may be terminated immediately by the Company in certain circumstances upon which Mr. Bralsford is entitled to a termination payment equal to six months of the annual contractual fee. Mr Bralsford's appointment has since been renewed for the twelve month period to 1st March 2014. With effect from 1 January 2013, the contractual fee payable to Mr Bralsford is £25,000 per annum. Mr Bralsford will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

5.1.5 **Roger Lewis** (*Non-Executive Director*)

A letter of appointment dated 20 October 2006 and made between the Company and Mr Lewis. The letter of appointment is for a period of 12 months commencing 20 October 2006 and thereafter may be terminated immediately by the Company in certain circumstances upon which Mr. Lewis is entitled to a termination payment equal to six months of the annual contractual fee. Mr Lewis' appointment has since been renewed for the twelve month period to 20 October 2013. With effect from 1 January 2013, the contractual fee payable to Mr Lewis is £25,000 per annum. Mr Lewis will also be reimbursed for all reasonable and properly documented expenses incurred in the performance of his duties.

5.2 Other than as disclosed in paragraph 5.1 above:

- 5.2.1 there are no service contracts between any of the Directors and the Company or any of its subsidiaries;
- 5.2.2 no Director is entitled to commission or profit sharing arrangements;
- 5.2.3 no service contract or letter of appointment of any Director has been entered into or amended within the period of six months prior to the date of this Circular; and
- 5.2.4 other than statutory compensation and payment in lieu of notice, no compensation is payable by the Company or any of its subsidiaries to any Director upon early termination of their appointment.

6. **Material changes**

Save as set out in the announcement of its preliminary unaudited results made by the Company on 20 March 2013, there has been no significant change in the financial or trading position of the Company subsequent to the publication of the interim financial statements of the Company for the six months ended 30 June 2012.

7. Middle Market Quotations

The following table sets out the middle market quotations for an Ordinary Share, as derived from the Daily Official List of London Stock Exchange, for the first Business Day of each of the six months immediately preceding the date of this document and for 11 April 2013 (being the latest practicable date prior to the publication of this document):

<i>Date</i>	<i>Price per Ordinary Share (pence)</i>
11 April 2013	7.5
1 April 2013	8.5
1 Mar 2013	10.5
1 Feb 2013	10.5
2 Jan 2013	10.5
3 Dec 2012	11.0
1 Nov 2012	10.0

8. Material contracts

Subscription and Open Offer Agreement

The Company and First Eastern Holdings entered into the Subscription and Open Offer Agreement dated 19 March 2013. Pursuant to the Subscription and Offer Agreement, subject to the making of the Open Offer by the Company, First Eastern Holdings has agreed to subscribe for, or procure the subscription of, 15,384,615 Ordinary Shares. In addition, First Eastern Holdings has agreed to subscribe for, or procure the subscription of, the number of Ordinary Shares which are not validly taken up by Shareholders pursuant to the Open Offer (including any Excess Applications). The Company has agreed to pay First Eastern Holdings a commission of £40,000 in consideration for it underwriting the Open Offer.

The Subscription and Offer Agreement is conditional, *inter alia*, on: (i) the passing of the Fundraising Resolution and the Whitewash Resolution; and (ii) Admission occurring not later than 8.00 a.m. on 31 July 2013.

The Company has given standard warranties to First Eastern Holdings relating to the Company (the “**Warranties**”) which will be repeated on completion of the Subscription and Offer Agreement. First Eastern Holdings may terminate the Subscription and Offer Agreement at any time prior to Admission if there is a material adverse change in the financial or trading position or prospects of the Group or if any of the Warranties was or becomes materially untrue, inaccurate or misleading when made.

Subscription Agreement

The Company and First Eastern Holdings entered into a subscription agreement dated 11 August 2011 pursuant to which First Eastern Holdings agreed to subscribe or procure the subscription of 20,060,904 Ordinary Shares for an aggregate consideration of approximately £4.2 million (the “**Subscription Agreement**”). On Completion of the Subscription Agreement, First Eastern Holdings (through its subsidiary, FE Marina Investments) held 25 per cent. of the then issued share capital of the Company. Pursuant to the Subscription Agreement, the Company gave standard warranties to First Eastern Holdings.

Pursuant to the terms of the Subscription Agreement, First Eastern Holdings has the right, as yet unexercised, to appoint and remove one person to and from the Board of the Company for so long as it holds more than 10 per cent. or more of the Company’s issued share capital.

Joint Venture Agreement

The Company and First Event Investments Ltd (now FE Marina Partners Ltd) entered into a joint venture agreement dated 24 August 2011 relating to the incorporation of CNFE, a company incorporated in Hong Kong with the objective of developing marina consultancy contracts in China (the “**JV Agreement**”). The parties made an aggregate initial capital commitment of US\$1,000,000 and a commitment to invest a further

€1.5 million over a period of two years. The parties each hold 50 per cent. of the issued share capital of CNFE. Each of the Company and First Event Investments Ltd (now FE Marina Partners Ltd) is entitled to appoint two directors to the Board of CNFE, and Victor Chu has been appointed as chairman.

Pursuant to the terms of the JV Agreement, the Company agreed to enter into the Trade Mark Licence Agreement (described below).

Trade Mark Licence Agreement

The Company entered into a trademark licence agreement dated 26 August 2011 with, *inter alia*, CNFE (the “**Trade Mark Licence Agreement**”). Pursuant to that agreement, the Company has granted an exclusive licence to CNFE to use certain of the Company’s trade marks in certain territories in Asia and Australasia for the purposes of developing the business of CNFE. In consideration for the exclusive licence of those trademarks, the Company is entitled to receive a minimum fee of €67,000 (as increased on each anniversary of the commencement date) by a percentage equal to the increase in the Retail Prices Index in the preceding 12 month period.

Loan from Maris Marine Holdings Limited

The Company has entered into a loan agreement dated 24 November 2008 (as amended on 1 July 2010 and as further amended on 30 September 2011) with Maris Marine Holdings Limited. The loan is repayable by monthly instalments of €27,125. The Company may, in its discretion, accelerate any or all of the repayments (in whole or in part). The loan is subject to immediate repayment in the event of a sale or on a change of control of the Company. Interest is payable semi-annually on the loan at the rate of 5.5 per cent above Euribor. The loan is secured by a charge in favour of Maris Marine Holdings Limited over the shares that the Company or its subsidiary owns in Camper & Nicholsons Marinas International Limited.

Save for the above, there are no other material contracts entered into by the Company or any of its subsidiaries in the last two years.

9. General

- 9.1 The total costs and expenses payable by the Company in connection with the Fundraising (including professional fees, commissions, the costs of printing and fees payable to the Registrars, Receiving Agent and the Panel) are estimated to amount to £150,000 (excluding VAT).
- 9.2 No inducement fee is payable in respect of the proposals set out in this document.
- 9.3 finnCap has given and has not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name and its advice to the Directors in the form and context in which they are included.
- 9.4 Save as disclosed in paragraph 4 of Part IV, no agreement, arrangement or understanding (including any compensation arrangement) exists between First Eastern Holdings or any person acting in concert with it and any of the Directors, recent directors of the Company, Shareholders or recent shareholders of the Company having any connection with or dependence upon the proposals set out in this document.
- 9.5 No agreement, arrangement or understanding exists whereby the Ordinary Shares held by First Eastern Holdings will be transferred to any other party. However, First Eastern Holdings and FE Marina Investments will retain the right to transfer Ordinary Shares between entities within the First Eastern group of companies, on the basis that such entities will be under the ultimate control of Victor Chu, save that such transfers would require the prior consent of the Takeover Panel.
- 9.6 The Directors’ intentions regarding the continuance of the Company’s business and its intentions regarding the continued employment of its employees and those of its subsidiaries will not be altered. The Directors have confirmed that there will be no change in the Company’s corporate strategy or in its dividend policy following completion of the Fundraising.

9.7 As at the close of business on 11 April 2013 (being the latest practicable date prior to the publication of this document), finnCap held no Ordinary Shares and no warrants in the Company.

10. Obtaining hard copies of information incorporated by reference

You may request a hard copy of any information incorporated into this document by reference by contacting Phil Ladmore between 9.00 a.m. and 5.30 p.m. (London time) Monday to Friday on 020 3405 3214 from within the UK or +44 20 3405 3214 if calling from outside the UK. It is important that you note that unless you make such a request, a hard copy incorporated into this document by reference will not be sent to you.

11. Documents available on display

Copies of the following documents will be made available on display at the offices of the Company, and at Camper & Nicholsons Marinas Limited, Richmond Place, 15 Petersham Road, Richmond, Surrey, TW10 6TP, UK during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) and at the following website address <http://www.cnmarinas.com/marina-investments> from the date of posting of this document up to the date of the Extraordinary General Meeting and at the place of meeting for 15 minutes prior to the meeting and during the meeting:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Memorandum and Articles of Association of First Eastern Holdings;
- (c) the audited consolidated accounts of the Company for the years ended 31 December 2011 and 31 December 2010 and 31 December 2009;
- (d) the unaudited interim results of the Company for the six months ended 30 June 2012;
- (e) the unaudited preliminary results of the Company for the year to 31 December 2012
- (f) the consent letter from finnCap referred to in paragraph 9.3 above;
- (g) the irrevocable undertakings referred to in paragraph 13 of Part I;
- (h) a copy of this document together with the Notice; and
- (i) material contracts in connection with the transaction referred to in paragraph 8 above.

NOTICE OF GENERAL MEETING

CAMPER & NICHOLSONS MARINA INVESTMENTS LIMITED

(Incorporated in Guernsey with Registered Number 45700)

NOTICE OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of the Company will be held at Island House, Grande Rue, St Martins, Guernsey, Channel Islands, GY4 6RU at 9.30 a.m. on 3 May 2013 to consider and, if thought fit, pass the following resolutions which will be proposed as ordinary resolutions.

ORDINARY RESOLUTION

1. **THAT**, conditional on the passing of Resolution 2, the Directors be and are hereby unconditionally authorised to allot and issue Ordinary Shares for the purposes of the Fundraising at the Offer Price notwithstanding that the Offer Price is at a discount of greater than 5 per cent. to the share price prevailing immediately prior to the announcement of the Fundraising. The authority hereby conferred shall expire on 31 July 2013 save that the Directors may at any time before such expiry make an offer or agreement which would or might require Ordinary Shares to be allotted at the Offer Price after such expiry and the Directors may allot Ordinary Shares after such expiry in pursuance of such an offer or agreement as if this authority had not expired.

ORDINARY RESOLUTION OF THE INDEPENDENT SHAREHOLDERS TO BE TAKEN ON A POLL

2. **THAT** the waiver by the Panel on Takeovers and Mergers of any obligation which might otherwise fall on First Eastern or any person connected to First Eastern, to make a general offer pursuant to Rule 9 of the City Code on Takeovers and Mergers as a result of the increase in its percentage shareholding in the Company’s Shares pursuant to the Fundraising be and is hereby approved.

By order of the Board
12 April 2013

Registered office:
Island House
Grande Rue
St. Martins
Guernsey
Channel Islands
GY4 6RU

NOTES:

- (i) A member of the Company who is entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint one or more proxies to attend and to speak and, on a poll, to vote in his or her place. A proxy need not be a member of the Company. A member of the Company may appoint more than one proxy in relation to the Extraordinary General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him or her.
- (ii) A Form of Proxy is enclosed. The Form of Proxy (together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such authority) must be deposited with Anson Registrars not less than 48 hours before the time appointed for holding the Extraordinary General Meeting, or any adjournment thereof, at which the person named in the instrument proposes to vote or, in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours before the time appointed for taking the poll or, in the case of a poll taken less than 48 hours after it was demanded, at the time at which the poll was demanded. Completion of the Form of Proxy will not preclude a member from attending and voting in person.
- (iii) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Extraordinary General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
- (iv) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the more senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the more senior).
- (v) To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
- (vi) Only those members entered on the Company's Register at 9.30 a.m. on 1 May 2013 or the time falling 48 hours before any such adjournment shall be entitled to attend and vote at the Extraordinary General Meeting or any adjournment.
- (vii) Terms defined in the circular to Shareholders dated 12 April 2013 shall, unless the context otherwise requires, have the same meaning when used in this Notice of Extraordinary General Meeting.

