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COURAGE MARINE GROUP LIMITED

勇利航業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: ATL.SI)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is a reproduction of the announcement made by Courage Marine Group Limited (the “Company”) pursuant to the Listing Manual of the Singapore Exchange Securities Trading Limited. In compliance with Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (which requires a listed issuer to ensure that if securities of the listed issuer are also listed on other stock exchanges, the Stock Exchange shall be simultaneously informed of any information released to any of such other stock exchanges and that such information is released to the market in Hong Kong at the same time as it is released on other markets), please refer to the attached announcement on the next page issued on Singapore Exchange Securities Trading Limited on 17 November 2015.

By Order of the Board
Courage Marine Group Limited
Sue Ka Lok
Chairman

Hong Kong, 17 November 2015

As at the date of this announcement, the Board comprises Mr. Sue Ka Lok (Chairman), Mr. Lai Ming Wai (Chief Executive Officer), Mr. Wu Jian and Ms. Chan Yuk Yee as Executive Directors; Mr. Tsoi Wai Kwong as Non-executive Director and Mr. Foo Meng Kee, Mr. Ngiam Zee Moey, Mr. Zhou Qijin and Mr. To Yan Ming, Edmond as Independent Non-executive Directors.

* *for identification purpose only*

COURAGE MARINE GROUP LIMITED

勇利航業集團有限公司

(Incorporated in Bermuda)
(Company Registration No. 36692)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board of Directors (the "Board" or "Directors") of Courage Marine Group Limited (the "Company") wishes to announce that the Company has on 17 November 2015 (after trading hours), entered into a placing agreement (the "Placing Agreement") with Get Nice Securities Limited (the "Placing Agent"), whereby the Company conditionally agreed to place, through the Placing Agent, on a best effort basis, up to 21,176,000 new shares of the Company (the "Placing Shares") to not less than six independent placees (the "Placees") at the placing price of HK\$4.00 (the "Placing Price") per Placing Share (the "Placing").

Shareholders of the Company (the "Shareholders") may wish to refer to the announcement dated 17 November 2015 released by the Company on the website of The Stock Exchange of Hong Kong Limited in relation to the Placing.

1. PLACING SHARES

- 1.1 The Placing Shares will be allotted and issued under the general mandate (the "General Mandate") granted to the Directors by a resolution of the shareholders of the Company passed at the annual general meeting of the Company held on 29 April 2015, pursuant to which the Directors are authorised to allot and issue up to 21,176,585 new shares of the Company (the "Share(s)"), after taking into consideration the 10-for-1 share consolidation exercise that was approved at the special general meeting held on 29 April 2015 immediately after the aforesaid annual general meeting. The Placing will utilize approximately 99.99% of the General Mandate.
- 1.2 At the date of this announcement, no new Shares have been issued and allotted under the General Mandate. As the issue of the Placing Shares falls within the General Mandate, the issue of the Placing Shares is not subject to the approval of the Shareholders.
- 1.3 Pursuant to the allotment and issue of the Placing Shares, the existing issued share capital of the Company (excluding treasury shares) will increase from 105,882,928 Shares to 127,058,928 Shares, assuming that there will be no change in the issued share capital of the Company between the date of this announcement and completion of the Placing. The Placing Shares will represent (i) approximately 20% of the existing issued and paid-up share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the enlarged issued and paid-up share capital of the Company after the issue of the Placing Shares.
- 1.4 The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects amongst themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.
- 1.5 The Company has no existing warrants or other convertibles (including employee share options granted under Rule 843 of the SGX Listing Manual).
- 1.6 The Placing Shares will not be issued to transfer a controlling interest of the Company and none of the Placing Shares will be placed to any person or groups of person prohibited by Singapore Exchange Securities Trading Limited ("SGX-ST") as set out under Rule 812 of the SGX-ST Listing Manual.

2. THE PLACING AGENT AND THE PLACEES

- 2.1 The Placing Agent has conditionally agreed to place up to 21,176,000 Placing Shares on a best effort basis and in consideration thereof, it will receive a placing commission of 2.5% on the gross proceeds of the Placing upon completion of the Placing, subject to the terms of the Placing Agreement. The Placing Agent may appoint one or more sub-placing agent(s) to procure Placees for the Placing Shares, whose fees shall be paid out of the commission payable to, or otherwise

borne by the Placing Agent. The Directors are of the view that the placing commission accords with the market rate and is fair and reasonable.

- 2.2 The Placing Agent will, on a best effort basis, place the Placing Shares to not less than six independent Placees, being professional, institutional or other investors, who, *inter alia*, are not any of the persons or groups of persons set out in Rule 812 of the SGX-ST Listing Manual and who are not acting in concert (as defined in the Singapore Code on Takeovers and Mergers) with any other Placees and/or any other Shareholders. It is expected that none of the Placees will become substantial Shareholders (as defined in the SGX-ST Listing Manual) (the "Substantial Shareholders") immediately after completion of the Placing.
- 2.3 No share borrowing arrangement has been entered into to facilitate the Placing.

3. THE PLACING PRICE

- 3.1 The Placing Price of HK\$4.00 per Placing Share (equivalent to approximately S\$0.7348 per Placing Share based on an exchange rate of HK\$5.4434 : S\$1.00 as at 17 November 2015) represents a discount of approximately 6.10% to the volume weighted average price of S\$0.7825 for trades done on the SGX-ST on 13 November 2015, being the last full market day on which there were trades done prior to the signing of the Placing Agreement.
- 3.2 The Placing Price, which was agreed after arm's length negotiation between the Company and the Placing Agent, was determined with reference to the prevailing market price of the Shares. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

4. LISTING APPROVAL

- 4.1 The Company will be submitting an additional listing application to the listing committee of the SGX-ST (where applicable) for the grant of the listing and quotation of, and permission to deal in, the Placing Shares on the SGX-ST.
- 4.2 However, it is not currently contemplated that the Placing Agent and any sub-placing agent(s) to be appointed by it will be offering or selling or procuring subscriptions or making an invitation for or in respect of the Placing Shares in Singapore.

5. CONDITIONS

- 5.1 The Placing is conditional upon the fulfilment of the following:
- (a) the listing of and permission to deal in the Placing Shares being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited and the listing committee of the SGX-ST (where applicable) (collectively the "Listing Approval") (and such permission and listing not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Placing Shares);and
 - (b) the transactions contemplated by the Placing Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority) in Hong Kong, Singapore or other jurisdiction which is applicable to the Company, the Placing Agent and/or any of the Placees.

If any of the conditions is not fulfilled on or prior to the long stop date (8 December 2015 or such later date as the Company and the Placing Agent may agree), the Placing Agreement will lapse and none of the parties shall have any claim against another for costs, damages, compensation or otherwise save in respect of any antecedent breaches of the Placing Agreement.

- 5.2 As completion of the Placing is subject to the satisfaction of a number of conditions under the Placing Agreement, and the Placing Agreement is subject to termination by the Placing Agent under

certain circumstances, and the Placing is on a best effort basis, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

6. PROCEEDS FROM PROPOSED PLACING

- 6.1 The gross proceeds from the Placing will be HK\$84,704,000. The Company intends to use the entire net proceeds of approximately HK\$82,200,000 from the Placing as general working capital of the Company and its subsidiaries (the "Group") and/or funding of attractive business/investment opportunities if so arise.
- 6.2 The Company will make periodic announcements on the utilisation of proceeds from the Placing as and when the funds from the Placing are materially disbursed, and will include any specific details on the use of proceeds. The Company will further provide a status report of the use of proceeds from the proposed Placing in the Company's annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.
- 6.3 The Board is of the view that the Placing will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for future development of the Group. Accordingly, the Board considers that the Placing is in the interests of the Company and the Shareholders as a whole.

7. FINANCIAL EFFECTS

For illustration purposes only, the table below sets out the financial effects of the proposed Placing based on the following bases and assumptions:-

- (i) The audited consolidated financial statements of the Company for the financial year ended 31 December 2014;
- (ii) The total number of issued shares were stated after taking into account the effect of the share consolidation that took place on 7 May 2015; and
- (iii) The financial impact on the consolidated net tangible assets ("NTA") per Share of the Company is computed based on the assumption that the proposed Placing was completed on 31 December 2014 and in relation to the Company's consolidated loss per Share, computed based on the assumption that the proposed Placing was completed on 1 January 2014.

	Before the proposed Placing	After the proposed Placing
Share capital		
Issued and paid up share capital (US\$)	19,058,927.04	22,870,607.04
- Number of Shares	105,882,928	127,058,928
NTA (US\$'000)	58,322	68,860
NTA per Share (US\$ cents)	55.08	54.20
(Loss) per Share (US\$ cents) ⁽¹⁾	(9.18)	(7.65)
(Loss) attributable to equity holders of the Company (US\$'000)	(9,724)	(9,724)
Weighted average number of shares used to calculate diluted earnings	105,882,928	127,058,928

Note (1): Loss per Share is calculated by dividing the Company's consolidated loss attributable to equity holders of the Company by the weighted average number of ordinary shares.

The financial effects of the proposed Placing on the Company and the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Company and the Group after the completion of the proposed Placing.

8. EFFECT ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing (assuming there is no change in the share capital of the Company between the date of this announcement and completion of the Placing) are set out below for illustration purpose:

Name of Shareholders	As at the date of this announcement		Immediately after completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Substantial Shareholders:				
Success United Development Limited (Note)	29,090,022	27.47	29,090,022	22.89
Zhou Xunlan	8,595,200	8.12	8,595,200	6.76
Public Shareholders:				
Placees	-	-	21,176,000	16.67
Others	<u>68,197,706</u>	<u>64.41</u>	<u>68,197,706</u>	<u>53.68</u>
Total	<u>105,882,928</u>	<u>100.00</u>	<u>127,058,928</u>	<u>100.00</u>

Note: Success United Development Limited is wholly owned by Brilliant Epic Asia Limited which is in turn wholly owned by Mr. Suen Cho Hung, Paul.

9. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or the Substantial Shareholders have (other than through their shareholding interest in the Company) any interest in the Placing.

10. RESPONSIBILITY STATEMENT

- 10.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the proposed Placing, and the Company, and its subsidiaries and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.
- 10.2 Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

By Order of the Board

Sue Ka Lok
Chairman
17 November 2015