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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)

MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE POSSIBLE ACQUISITION

Financial Adviser



Euto Capital Partners Limited

This announcement is made by the Company pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Listing Rules.

The Board announces that on 23 December 2015 (after trading hours), the Purchaser and the Vendors entered into the MOU in relation to the Possible Acquisition of 70% equity interest in the Target Company. As advised by the Vendors, the Target Group is principally engaged in provision of logistic, custom clearance and auxiliary services and import and export of goods.

The Possible Acquisition may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Shares. The Possible Acquisition, if materialises, may constitute a notifiable transaction for the Company under the Listing Rules. Should (i) the Company enter into the Agreement; (ii) decide not to proceed with the transactions contemplated under the MOU or (iii) there be any material development on the Possible Acquisition, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.

* for identification purpose only

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THE MOU

The Board announces that on 23 December 2015 (after trading hours), the Purchaser and the Vendors entered into the MOU in relation to the Possible Acquisition. Details of the MOU are set out below.

Date

23 December 2015

Parties:

- (i) the Purchaser and
- (ii) the Vendors, being Mr. Zhou Jifeng (周繼鋒) (“Mr. Zhou”) and Ms. Liu Bei (劉蓓) (“Ms. Liu”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of Mr. Zhou and Ms. Liu is not a connected person of the Company and is a third party independent of the Company and its connected persons. As at the date of this announcement, each of Mr. Zhou and Ms. Liu does not hold any Shares or other securities in the Company.

Assets to be acquired

Subject to the parties entering into the Agreement, the Vendors shall sell and the Purchaser shall acquire 70% of the issued share capital in the Target Company.

As advised by the Vendors, the Target Company indirectly owns 75% equity interest in a company incorporated in the PRC, which is, as advised by the Vendors, principally engaged in provision of logistic, custom clearance and auxiliary services and import and export of goods.

Consideration

The consideration for the Possible Acquisition will be determined and subject to further negotiation between the parties to the MOU.

Exclusivity period

The Vendors agreed that they will not and will procure that the Target Company and its directors, officers, employees, representatives and agents will not, directly or indirectly, for a period of three (3) months from the date of the MOU, (i) solicit, initiate or encourage enquiries or offers from; or (ii) initiate or continue negotiations or discussions with or furnish any information to; or (iii) enter into

any agreement or statement of intent or understanding, whether binding or non-binding, with, any person or entity other than the Purchaser with respect to the sale or other disposition of the equity interest in or the sale, subscription, or allotment of any part thereof or any other shares of the Target Company.

The parties shall negotiate in good faith towards one another in ensuring the Agreement be entered into as soon as possible and in any event, on or before the date falling three (3) months from the date of the MOU, or such later date as the parties to the MOU may agree.

Conditions

Subject to the entering into of the Agreement between the Vendors and the Purchaser, completion of the Possible Acquisition is conditional upon, among other things, (i) the Company being satisfied with the results of the due diligence review to be conducted after signing of the MOU on the assets, liabilities, operations and affairs of the Target Group; and (ii) any other conditions agreed by the parties to be included in the Agreement.

Legal effect

The MOU is non-legally binding save for the provisions relating to due diligence, exclusivity, confidentiality, costs, notices and governing law and jurisdiction of the MOU.

The failure to execute and deliver any Agreement in relation to the transaction contemplated herein shall impose no liabilities on the parties.

INFORMATION ON THE GROUP

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are provision of marine transportation services, property holding and investment, and investment holding.

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DEFINITIONS

Unless the context otherwise requires, the following expressions shall have the meanings set out below:

“Agreement”	the formal sale and purchase agreement which may or may not be entered into between the Purchaser and Vendors in relation to the Possible Acquisition
“Board”	the Board of Directors
“Company”	Courage Marine Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and on the Singapore Exchange Securities Trading Limited
“connected person”	has the meanings as ascribed under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“MOU”	the memorandum of understanding dated 23 December 2015 entered into between the Purchaser and the Vendors setting out the preliminary understanding in relation to the Possible Acquisition
“Possible Acquisition”	the possible acquisition by the Purchaser of the 70% equity interest in the Target Company held by the Vendors
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan)

“Purchaser”	Peak Prospect Global Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) at par value of US\$0.18 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Target Company”	Hope View International Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target Company and its subsidiaries
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendors”	Mr. Zhou Jifeng (周繼鋒) and Ms. Liu Bei (劉蓓) whose collectively owns the entire issued share capital of the Target Company as at the date of this announcement
“%”	per cent

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

Hong Kong, 23 December 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.