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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)

PROPOSED SHARE SUBDIVISION

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The Board proposes to implement the Proposed Share Subdivision by subdividing every one (1) Existing Share with par value of US\$0.18 each in the share capital of the Company into three (3) Subdivided Shares with par value of US\$0.06 each. The Proposed Share Subdivision is subject to certain conditions as set out in this announcement below. Upon the Proposed Share Subdivision becoming effective, all Subdivided Shares will rank pari passu in all respects with the Shares in issue prior to the Proposed Share Subdivision becoming effective and the Proposed Share Subdivision will not result in any change in the relevant rights of the Shareholders.

There will be no change to the existing board lot size for trading in the Shares upon the Proposed Share Subdivision becoming effective.

GENERAL

An ordinary resolution to approve the Proposed Share Subdivision will be proposed at the SGM. A circular containing, among other things, further details of the Proposed Share Subdivision, together with the notice convening the SGM, is expected to be despatched to the Shareholders on or before Monday, 12 June 2017.

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CONDITIONS OF THE PROPOSED SHARE SUBDIVISION

The Proposed Share Subdivision is conditional upon:

- (a) the passing of an ordinary resolution to approve the Proposed Share Subdivision by the Shareholders at the SGM; and
- (b) the Listing Committee of the Hong Kong Stock Exchange granting the approval to the listing of, and permission to deal in, the Subdivided Shares.

EFFECT OF THE PROPOSED SHARE SUBDIVISION

As at the date of this announcement, the authorised share capital of the Company is US\$180,000,000 divided into 1,000,000,000 Existing Shares, of which 152,458,928 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Subject to Shareholders' approval being obtained for the Proposed Share Subdivision and assuming no further Shares will be issued or repurchased between the date of this announcement and the date of the SGM, immediately after the Proposed Share Subdivision becoming effective, the authorised share capital of the Company will become US\$180,000,000 divided into 3,000,000,000 Subdivided Shares, of which 457,376,784 Subdivided Shares will be in issue and are credited as fully paid.

Upon the Proposed Share Subdivision becoming effective, all Subdivided Shares will rank *pari passu* in all respects with the Shares in issue prior to the Proposed Share Subdivision becoming effective and the Proposed Share Subdivision will not result in any change in the relevant rights of the Shareholders.

There will be no change to the existing board lot size for trading in the Shares upon the Proposed Share Subdivision becoming effective.

At the AGM, among other matters, resolutions will be proposed to approve and adopt the Issue Mandate, the Repurchase Mandate and the Share Option Scheme. Subject to each of these resolutions being approved by the Shareholders at the AGM and the Proposed Share Subdivision being approved at the SGM and becoming effective, the number of Shares which may fall to be issued under each of the Issue Mandate and the Share Option Scheme, or repurchased under the Repurchase Mandate, will increase correspondingly to take into account the effect of the Proposed Share Subdivision such that the maximum number of Shares which may fall to be issued under each of the Issue Mandate and the Share Option Scheme (or may be repurchased under the Repurchase Mandate) immediately before and after the Proposed Share Subdivision, as a percentage of the total number of the Shares then in issue, are the same.

FREE EXCHANGE OF SHARE CERTIFICATES FOR SHAREHOLDERS WHOSE SHARES ARE QUOTED ON THE HONG KONG STOCK EXCHANGE

Subject to the Proposed Share Subdivision becoming effective, Shareholders may, during the period from 6 July 2017 to 11 August 2017 (both days inclusive) between 9:00 a.m. and 4:30 p.m. on any Business Day, submit the Existing Share Certificates, which are yellow in colour, to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for the New Share Certificates, which will be red in colour. Thereafter, the Existing Share Certificates will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be from time to time be specified by the Hong Kong Stock Exchange) for each New Share Certificate to be issued or each Existing Share Certificate cancelled, whichever the number of certificates issued or cancelled is higher.

The Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on 9 August 2017 and thereafter will not be accepted for delivery, trading and settlement purposes. Nevertheless, the Existing Share Certificates will continue to be good evidence of legal title to the Subdivided Shares on the basis of one (1) Existing Share for three (3) Subdivided Shares and may be exchanged for the New Share Certificates at any time.

It is expected that the New Share Certificates will be available for collection within a period of ten (10) Business Days after the submission of the Existing Share Certificates to the Company's Hong Kong branch share registrar and transfer office for exchange.

PROCEDURES AND TRADING ARRANGEMENTS FOR SHAREHOLDERS WHOSE SHARES ARE QUOTED ON THE SGX-ST

Updating of Register of Members and Depository Register

After Shareholders' approval has been obtained for the Proposed Share Subdivision at the SGM to be convened, the Shareholders' and Depositors' entitlements of the Subdivided Shares will be determined on the SGX-ST Books Closure Date, whereupon the register of members and the Depository Register will be updated to reflect the number of Subdivided Shares held by Shareholders and Depositors based on their shareholdings in the Company as at the SGX-ST Books Closure Date and the Shares will begin trading in board lots of 100 Subdivided Shares on the SGX-ST on the Effective Date.

Deposit of Share Certificates with CDP

Shareholders who hold physical Existing Share Certificates for the existing Shares with par value of US\$0.18 each in their own names and who wish to deposit the same with CDP and have their Subdivided Shares credited to their Securities Accounts maintained with CDP must deposit their Existing Share Certificates, together with the duly executed instruments of transfer in favour of CDP, no later than twelve (12) Business Days prior to the SGX-ST Books Closure Date.

After the SGX-ST Books Closure Date, CDP will only accept deposit share certificates for Subdivided Shares (i.e. the New Share Certificates). Shareholders who wish to deposit their Existing Share Certificates with CDP after the SGX-ST Books Closure Date must first deliver their Existing Share Certificates to the Company's Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 for cancellation and issue of New Share Certificates in replacement thereof as described below.

Issue of New Share Certificates

Shareholders who have deposited their Existing Share Certificates with CDP at least twelve (12) Business Days prior to the SGX-ST Books Closure Date need not take any action. The Company will arrange with CDP to facilitate the exchange of New Share Certificates pursuant to the Proposed Share Subdivision.

Shareholders who have not deposited their Existing Share Certificates as aforesaid or who do not wish to deposit their Existing Share Certificates with CDP are advised to forward all their Existing Share Certificates to the Company's Singapore share transfer agent, as soon as possible for cancellation and exchange for New Share Certificates. No receipt will be issued by the Company's Singapore share transfer agent for the receipt of the physical Existing Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within ten (10) Business Days from the SGX-ST Books Closure Date or the date of receipt of the Existing Share Certificates, whichever is later.

Shareholders are required to deliver their respective Existing Share Certificates to the Company's Singapore share transfer agent or CDP in accordance with the provisions set out above.

Shareholders should note that New Share Certificates will not be issued to Shareholders unless their Existing Share Certificates have been tendered to the Company's Singapore share transfer agent for cancellation.

Please notify the Company's Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, if you have lost any of your Existing Share Certificates or if there is any change in your address from that reflected in the register of members of the Company.

Shareholders who hold physical share certificates are reminded that their Existing Share Certificates are no longer good for settlement of trading in the Shares on the SGX-ST (as the Company is under a book-entry (scripless) settlement system) but will continue to be accepted for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period by the Company's Singapore share transfer agent. The Existing Share Certificates will not be valid for delivery for trades done on the SGX-ST although they will continue to be prima facie evidence of legal title.

Trading Arrangements for the Subdivided Shares

Subject to the approval of the Shareholders for the Proposed Share Subdivision at the SGM, with effect from 9:00 a.m. on the Effective Date, trading in the Shares will be in board lots of 100 Subdivided Shares on the SGX-ST. Accordingly, one hundred (100) Existing Shares with par value of US\$0.18 each as at 5:00 p.m. on the Business Day immediately preceding the Effective Date will represent three hundred (300) Subdivided Shares with par value of US\$0.06 each with effect from 9:00 a.m. on the Effective Date. Trading in the Existing Shares with par value of US\$0.18 each will cease two (2) Business Days immediately preceding the SGX-ST Books Closure Date.

All fractional entitlements arising upon the implementation of the Proposed Share Subdivision will be aggregated, disregarded or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Shares are currently traded in board lots of 100 Shares in the ready market on the SGX-ST (following the change of board lot size from one board lot of 1,000 Shares to 100 Shares in January 2015). Accordingly, there will be no odd lots expected to be created by the Proposed Share Subdivision for a Depositor who used to hold one board lot of 100 Existing Shares and continues to hold all of such Shares as at the SGX-ST Books Closure Date, as such Depositor will thereby hold 3 board lots of 100 Subdivided Shares on the Effective Date.

REASONS FOR THE PROPOSED SHARE SUBDIVISION

The recent trading prices of the Existing Shares have resulted in a relative high value of each board lot of Shares and the management of the Company notes that on average, the daily volume of Existing Shares traded on the Hong Kong Stock Exchange was less than 900,000 Existing Shares (i.e. less than 0.6% of the Company's total issued share capital).

Upon the Proposed Share Subdivision becoming effective, the par value of each Existing Share will decrease and the total number of Shares in issue will increase. The Proposed Share Subdivision is therefore expected to result in a downward adjustment to the trading price of the Shares. As at the date of this announcement, the closing price per Existing Share as quoted on the Hong Kong Stock Exchange was HK\$6.00 and the market value per board lot was HK\$6,000. Had the Proposed Share Subdivision become effective on such date, the theoretical value per board lot would be HK\$2,000, which the Board believes would represent a lower entry fee for investors. The Board believes that the Proposed Share Subdivision will improve the liquidity in trading of the Shares, and thereby attract more investors and widen the Company's Shareholder base.

Accordingly, the Board is of the view that the Proposed Share Subdivision is in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Proposed Share Subdivision and the associated trading arrangements is as follows:-

Event	2017 <i>(Singapore and Hong Kong time)</i>
Despatch of the circular regarding the Proposed Share Subdivision and SGM Notice	Monday, 12 June 2017
Latest time for lodging the form of proxy for the SGM	11:00 a.m. on Monday, 26 June 2017
SGM	11:00 a.m. on Wednesday, 28 June 2017 (or immediately following the conclusion of the annual general meeting of the Company which has been convened to be held at 10:30 a.m. on the same date and at the same place, whichever is the later)
Publication of poll results of the SGM and announcement of SGX-ST Books Closure Date	Wednesday, 28 June 2017

THE FOLLOWING EVENTS ARE CONDITIONAL ON THE FULFILLMENT OF THE CONDITIONS FOR THE IMPLEMENTATION OF THE PROPOSED SHARE SUBDIVISION. PLEASE NOTE THAT THE EVENTS THAT ARE BOLDED SHALL BE RELEVANT FOR SHARES TRADED ON THE SGX-ST ONLY.

Last day of trading of Shares on the SGX-ST on a pre-subdivision basis	Friday, 30 June 2017
Trading of Shares on the SGX-ST on a post-subdivision basis	Monday, 3 July 2017
SGX-ST Books Closure Date (being the books closure date for Shares traded on the SGX-ST)	5:00 p.m., Wednesday, 5 July 2017
Effective Date for the Proposed Share Subdivision (being the effective date of the Proposed Share Subdivision for Shares traded on the SGX-ST and the Hong Kong Stock Exchange)	9:00 a.m., Thursday, 6 July 2017

Event

2017
*(Singapore and
Hong Kong time)*

First day of free exchange of Existing Share Certificates for New Share Certificates for Subdivided Shares traded on the Hong Kong Stock Exchange	Thursday, 6 July 2017
Dealing in the Subdivided Shares on the Hong Kong Stock Exchange commences	9:00 a.m., Thursday, 6 July 2017
Original counter for trading in Existing Shares on the Hong Kong Stock Exchange in board lots of 1,000 Existing Shares (in the form of Existing Share Certificates) temporarily closes	9:00 a.m., Thursday, 6 July 2017
Temporary counter for trading in Subdivided Shares on the Hong Kong Stock Exchange in board lots of 3,000 Subdivided Shares (in the form of Existing Share Certificates) opens	9:00 a.m., Thursday, 6 July 2017
Original counter for trading in Subdivided Shares on the Hong Kong Stock Exchange in board lots of 1,000 Subdivided Shares (in the form of New Share Certificates) re-opens	9:00 a.m., Thursday, 20 July 2017
Parallel trading in the Subdivided Shares on the Hong Kong Stock Exchange (in the form of Existing Share Certificates and New Share Certificates) commences	9:00 a.m., Thursday, 20 July 2017
Temporary counter for trading in Subdivided Shares in board lots of 3,000 Subdivided Shares (in the form of Existing Share Certificates) closes	4:00 p.m., Wednesday, 9 August 2017
Parallel trading in Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) closes	4:00 p.m., Wednesday, 9 August 2017
Last day for free exchange of Existing Share Certificates for New Share Certificates for Subdivided Shares traded on the Hong Kong Stock Exchange	Friday, 11 August 2017

Note:

The expected timetable set out above is tentative and for indicative purposes only. Should there be any changes, the Company will issue further announcement(s) on the timetable as and when appropriate.

GENERAL

An ordinary resolution to approve the Proposed Share Subdivision will be proposed at the SGM. A circular containing, among other things, further details of the Proposed Share Subdivision, together with the notice convening the SGM, is expected to be despatched to the Shareholders on or before Monday, 12 June 2017.

DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms have the meaning as set out below:-

“AGM”	annual general meeting of the Company convened to be held at 10:30 a.m. on Wednesday, 28 June 2017 at Room 1804A, 18/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong and via video conference at Room 307 Henderson, Maxwell Chambers, 32 Maxwell Road, #03-01, Singapore 069115
“AGM Circular”	circular of the Company dated 29 May 2017 in respect of, among other things, matters to be conducted at the AGM and notice convening the AGM
“Board”	Board of Directors of the Company
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong and Singapore throughout their normal business hours
“CDP”	The Central Depository (Pte) Limited or its nominee(s), as the case may be
“Company”	Courage Marine Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are primarily listed on the Main Board of the Hong Kong Stock Exchange and secondarily listed on the Main Board of the SGX-ST
“Depositor(s)”	has the meaning ascribed to it by Section 81SF of the Singapore Securities and Futures Act
“Depository Register”	has the meaning ascribed to it by Section 81SF of the Singapore Securities and Futures Act
“Director(s)”	director(s) of the Company

“Effective Date”	9:00 a.m. on 6 July 2017, or such other date as may be determined by the Directors, being the effective date of the Proposed Share Subdivision
“Existing Share(s)”	issued and unissued Shares in the capital of the Company with par value of US\$0.18 each prior to the Proposed Share Subdivision
“Existing Share Certificate(s)”	existing form of certificate(s) of the Existing Shares
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Issue Mandate”	has the same meaning as ascribed to it in the AGM Circular
“Listing Committee”	Listing Committee of the Hong Kong Stock Exchange
“New Share Certificate(s)”	form of certificate(s) of the Subdivided Share(s)
“Proposed Share Subdivision”	proposed subdivision of every one (1) Existing Share in the capital of the Company into three (3) Subdivided Shares
“Repurchase Mandate”	has the same meaning as ascribed to it in the AGM Circular
“Securities Accounts”	securities accounts maintained with CDP, but not including the securities accounts maintained with a Depository Agent (as defined in Section 130A of Singapore Companies Act)
“SGM”	special general meeting of the Company which is proposed to be held at Room 1804A, 18/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong and via video conference at Room 307 Henderson, Maxwell Chambers, 32 Maxwell Road, #03-01, Singapore 069115 on Wednesday, 28 June 2017 at 11:00 a.m. (or immediately following the conclusion of the annual general meeting of the Company which has been convened to be held at 10:30 a.m. on the same date and at the same place, whichever is the later) for the Shareholders to consider and approve, among other things, the Proposed Share Subdivision. The notice of the SGM will be included in the circular which is expected to be despatched on or before Monday, 12 June 2017

“SGX-ST”	Singapore Exchange Securities Trading Limited
“SGX-ST Books Closure Date”	5.00p.m. on Wednesday, 5 July 2017, or such other date as may be determined by the Directors, being the date at and on which the Singapore share transfer books of the Company will be closed to determine entitlements of Shareholders to the Subdivided Shares traded on the SGX-ST under the Proposed Share Subdivision
“Share(s)”	ordinary share(s) in the capital of the Company
“Share Option Scheme”	has the same meaning as ascribed to it in the AGM Circular
“Shareholder(s)”	registered holders of Shares of the Company
“Singapore Companies Act”	Companies Act (Chapter 50 of the Laws of Singapore)
“Singapore Securities and Futures Act”	The Securities and Futures Act (Chapter 289 of the Laws of Singapore) as amended, modified and supplemented from time to time
“Subdivided Share(s)”	issued and unissued Shares in the capital of the Company with par value of US\$0.06 each after completion of the Proposed Share Subdivision
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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

Hong Kong, 6 June 2017

As at the date of this announcement, the Board comprises Mr. Sue Ka Lok (Chairman), and Ms. Chan Yuk Yee as Executive Directors and Mr. Ngiam Zee Moey, Mr. Zhou Qijin and Mr. To Yan Ming, Edmond as Independent Non-executive Directors.