



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: E91.SI)

ACQUISITION OF VESSEL – MV HSIN HO

On 20 December 2013 (after trading hours), CM Company, a wholly-owned subsidiary of the Company, entered into the MOA with THMC in relation to the acquisition of a vessel, MV Hsin Ho, for a total cash consideration of US\$8,600,000.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, THMC and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company and none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

CM Company, a wholly-owned subsidiary of the Company, is a company incorporated in the BVI with limited liability and is principally engaged in investment holding.

The Acquisition constitutes a discloseable transaction of the Company under Rule 14.06(2) of the HK Listing Rules.

As the Acquisition is an acquisition of a vessel in connection with the ordinary course of business of the Group being vessel chartering, the Acquisition is not a transaction that falls under the scope of Chapter 10 of the Listing Manual of the Singapore Exchange Securities and Trading Limited ("SGX-ST"), and this announcement is made, inter alia, in compliance with HK Listing Rules requirements as further set out below and under the general disclosure obligations of the Company under the SGX-ST Listing Rules.

* *for identification purposes only*

MOA

Date: 20 December 2013 (after trading hours)

Parties: (1) Seller: Ta-Ho Maritime Corporation
(2) Buyer: Courage Marine Company Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, THMC and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company and none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

Asset to be acquired:

Pursuant to the MOA, CM Company has agreed to buy and THMC has agreed to sell MV Hsin Ho which is a Panamax vessel with carrying capacity of approximately 72,000 dwt and beneficially owned by THMC.

Consideration:

The total cash consideration for the Acquisition is US\$8,600,000 and shall be payable by the Buyer to THMC in the following manner:

- (1) The Deposit (equivalent to 10% of the Consideration) shall be lodged in the bank account nominated by THMC within 3 Banking Days after receipt of the signed MOA by fax/email in PDF form; and
- (2) The balance of the Consideration (equivalent to 90% of the Consideration) shall be paid by CM Company to THMC on the same day of delivery of MV Hsin Ho, but not later than 3 Banking Days after MV Hsin Ho is in every respect physically ready for delivery and the notice of readiness has been given by THMC.

It is intended that the Consideration will be funded as to 40% by internal resources of the Group and as to the remaining 60% by bank borrowings.

The Consideration was arrived at after arm's length negotiations between CM Company and THMC with reference to market intelligence the Company had gathered from its own analysis of recently concluded sale and purchase transactions of vessels of comparable size and year of build in the market. The Directors consider the terms and conditions of the Acquisition to be fair and reasonable and are in the interests of the Group and the shareholders of the Company as a whole.

Delivery of MV Hsin Ho

MV Hsin Ho is to be delivered on or before 16 January 2014 and CM Company has an option to cancel the MOA if delivery of MV Hsin Ho does not take place by 16 January 2014.

After the notice of readiness is tendered by THMC in accordance with the MOA, MV Hsin Ho shall be delivered charter free, cargo free, free of cargo residue and free of stowaways, and taken over safely afloat at a safe and accessible berth or anchorage in Dalian, PRC. The Directors currently expect that delivery of MV Hsin Ho will take place around early January 2014.

INFORMATION ON MV HSIN HO

MV Hsin Ho is a Panamax vessel with carrying capacity of approximately 72,000 dwt. Its flag state is Taiwan and was inspected and classified by the American Bureau of Shipping for purpose of safety classification society.

INFORMATION ON THMC

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, THMC is a company incorporated in Taiwan with limited liability and is principally engaged in the business of marine transport.

INFORMATION ON THE GROUP

The principal activity of the Company is that of an investment holding company and the principal activities of the Group are provision of marine transportation services, property holding, investment holding and provision of administration services.

REASONS FOR THE ACQUISITION

The Company has been renewing its fleet by acquiring newer vessels in place of the older vessels. The Company had previously completed a series of disposals of old vessels and the proceeds of such sales were intended for the acquisition of newer vessels when the right opportunity arose.

The Company considers that the right opportunity has arisen and the current market situation is suitable for it to further acquire a younger vessel to strengthen its fleet. The Directors believe that the terms of the MOA are entered into upon normal commercial terms following arm's length negotiations between the parties and the terms of the MOA are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

Singapore Listing Rules Implication

As the Acquisition is an acquisition of a vessel in connection with the ordinary course of business of the Group being vessel chartering, the Acquisition is not a transaction that falls under the scope of Chapter 10 of the Listing Manual of the SGX-ST, and this announcement is made, inter alia, in compliance with HK Listing Rules requirements as further set out below and under the general disclosure obligations of the Company under the SGX-ST Listing Rules.

LISTING RULES IMPLICATION

As the relevant percentage ratio(s) calculated in accordance with Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the HK Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Acquisition”	the acquisition of MV Hsin Ho by CM Company subject to and upon the terms and conditions of the MOA;
“Banking Day”	a day on which banks are open both in Taiwan and the United States of America for business;
“BVI”	the British Virgin Islands;
“CM Company”	Courage Marine Company Limited, a company incorporated in the BVI with limited liability and is a wholly-owned subsidiary of the Company;
“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 SEHK and on Singapore Exchange Securities Trading Limited;
“Consideration”	a total cash consideration of US\$8,600,000 payable by CM Company to THMC;
“Deposit”	a deposit of 10% of the Consideration;
“Directors”	the directors of the Company;

“dwt”	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship’s carrying capacity, including bunker oil, fresh water, crew and provisions;
“Group”	the Company and its subsidiaries;
“HK Listing Rules”	the Rules Governing the Listing of Securities on the SEHK;
“MOA”	a memorandum of agreement dated 20 December 2013 entered into between CM Company and THMC;
“MV Hsin Ho”	MV Hsin Ho, a Panamax vessel with carrying capacity of approximately 72,000 dwt and beneficially owned by THMC;
“Panamax”	dry bulk vessels size range as 60,000 to 99,999 dwt;
“PRC”	the People’s Republic of China;
“SEHK”	The Stock Exchange of Hong Kong Limited;
“THMC”	Ta-Ho Maritime Corporation, a company incorporated in Taiwan with limited liability;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

By order of the Board
Courage Marine Group Limited
Hsu Chih-Chien
Chairman

Singapore, 20 December 2013

As at the date of this announcement, the managing Director is Mr. Wu Chao-Huan, the Chairman and non-executive Director is Mr. Hsu Chih-Chien, the non-executive Directors are Mr. Sun Hsien-Long and Mr. Chang Shun-Chi, the independent non-executive Directors are Mr. Lui Chun Kin, Gary, Mr. Sin Boon Ann and Mr. Chu Wen Yuan.