



## COURAGE MARINE GROUP LIMITED

### 勇利航業集團有限公司

*(Incorporated in Bermuda with limited liability)*

(Company Registration No. 36692)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: E91.SI)

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## PROPOSED CONSOLIDATION OF EVERY TEN (10) EXISTING ORDINARY SHARES OF PAR VALUE US\$0.018 EACH IN THE CAPITAL OF THE COMPANY INTO ONE (1) ORDINARY SHARE OF PAR VALUE US\$0.18 EACH IN THE CAPITAL OF THE COMPANY

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### 1. Introduction

The board of directors (“**Directors**”) of Courage Marine Group Limited (“**Company**”) hereby announces that the Company proposes to undertake a consolidation of every ten (10) existing ordinary shares of par value US\$0.018 each in the capital of the Company (“**Shares**”) held by shareholders of the Company (“**Shareholders**”) as at a books closure date to be determined by the Directors as they deem fit in their absolute discretion (“**Books Closure Date**”), into one (1) ordinary share of par value US\$0.18 each in the capital of the Company (“**Consolidated Share**”), fractional entitlements to be disregarded (“**Proposed Share Consolidation**”).

### 2. Details

- 2.1 The Company proposes to implement the Proposed Share Consolidation by consolidating every ten (10) issued and unissued ordinary shares of par value US\$0.018 each in the authorized share capital and issued share capital of the Company (the “**Existing Shares**”) into one (1) Consolidated Share.
- 2.2 As at the date of this announcement, the Company has an issued share capital of US\$19,058,927.54 divided into 1,058,829,308 Existing Shares. Assuming no further Shares will be issued or repurchased from the date of this announcement to the effective date of the Proposed Share Consolidation, the issued share capital of the Company will become US\$19,058,927.40 divided into 105,882,930 Consolidated Shares after the Proposed Share Consolidation.
- 2.3 Subject to Shareholders’ approval being obtained for the Proposed Share Consolidation, the current authorised share capital of the Company of US\$180,000,000 divided into 10,000,000,000 Existing Shares shall be restructured to US\$180,000,000 divided into 1,000,000,000 Consolidated Shares following the Proposed Share Consolidation.

- 2.4 The Proposed Share Consolidation will not have any impact on the issued and paid up Share Capital of the Company, other than non-material changes due to rounding and will not involve the diminution of any liability in respect of unpaid capital or the payment to any Shareholder or Depositor of any paid-up capital of the Company, and has no effect on the Shareholders' funds of the Group. Shareholders are not required to make any payment to the Company in respect of the Proposed Share Consolidation. The Proposed Share Consolidation will not cause any changes to the percentage shareholding of each Shareholder, other than non-material changes due to rounding.
- 2.5 Under the Proposed Share Consolidation, every ten (10) Existing Shares registered in the name of each Shareholder as at the Books Closure Date will be consolidated to constitute one (1) Consolidated Share, fractional entitlements to be disregarded. Accordingly, after the Books Closure Date, every ten (10) Existing Shares will constitute one (1) Consolidated Share. Each Consolidated Share will rank *pari passu* in all respects with each other and the Consolidated Shares will be traded in board lots of 100 ordinary shares.
- 2.6 Shareholders should note that the number of Consolidated Shares which Shareholders will be entitled to, based on their holdings of the number of existing ordinary shares of the Company as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fraction of a Consolidated Share arising from the Proposed Share Consolidation will be disregarded. Fractions of Consolidated Shares arising from the Proposed Share Consolidation will be aggregated and dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

### **3. Rationale**

- 3.1 The Board is of the view that the Proposed Share Consolidation will rationalise the share capital of the Company by reducing the number of issued Shares and the trading price per Consolidated Share should theoretically be higher than the trading price per Share prior to the Proposed Share Consolidation. If the price per Consolidated Share is indeed higher than the trading price per Share prior to the Proposed Share Consolidation, the Proposed Share Consolidation may also increase the profile of the Company amongst investors and the coverage of the Company by research houses. This may, in turn, increase market interest and activity in the Consolidated Shares, and generally make the Consolidated Shares more attractive to investors.
- 3.2 The Proposed Share Consolidation may also serve to reduce the transaction costs for investors in their dealings in the Consolidated Shares. Furthermore, the Proposed Share Consolidation would facilitate the Company's ability to satisfy the prospective continuing listing requirement to be imposed by the SGX-ST for issuers listed on the SGX Mainboard to have a minimum trading price per share of S\$0.20.

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

#### **4. Conditions**

4.1 The Proposed Share Consolidation is subject to, *inter alia*, the following:

- (a) the receipt of the approval-in-principle of the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the Official List of the Main Board of the SGX-ST; and
- (b) Shareholders' approval for the Proposed Share Consolidation at a special general meeting of the Company ("**SGM**").

4.2 An application will be made to the SGX-ST for the dealing in, listing of and quotation for the Consolidated Shares on the SGX-ST. An announcement on the outcome of such application will be made in due course.

#### **5. Despatch of Circular**

Subject to the receipt of the approval-in-principle of the SGX-ST, a circular containing, *inter alia*, information on the Proposed Share Consolidation and the notice of the SGM will be despatched to Shareholders in due course.

#### **6. Caution in Trading**

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. When in doubt, shareholders and potential investors should seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

By Order of the Board  
**Courage Marine Group Limited**

Wu Chao Huan  
Managing Director  
9 March 2015