



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 CONVERSION OF LISTING STATUS ON THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

1. INTRODUCTION

Courage Marine Group Limited (the “**Company**”) wishes to inform shareholders that it proposes to convert its listing status on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) from a primary listing to a secondary listing (“**Conversion**”). The Conversion will not affect the current primary listing status of the Company on The Stock Exchange of Hong Kong Limited (“**SEHK**”).

2. RATIONALE

The Company has decided on the Conversion for the following reasons:

(a) Compliance Costs

Due to the Company's dual primary listing on the SGX-ST and SEHK, the Company is required to comply with the listing rules of both exchanges. Where there is any conflict between the Listing Manual of the SGX-ST and the Rules Governing the Listing of Securities on the SEHK, the Company is required to comply with the stricter of the rules of the exchanges. Considerable financial and human resources have to be devoted for such compliance.

The Conversion will result in the Company having to comply mainly with the SEHK listing rules, save for certain requirements under the Listing Manual of the SGX-ST generally applicable to corporations with a secondary listing status on the SGX-ST or such requirements that the SGX-ST may impose in connection with the Conversion. The Conversion will enable the Company to substantially reduce its legal and compliance costs, as well as free up resources for other critical aspects of its business, growth and operations.

(b) Shareholders Profile

The Company has an issued share capital comprising 127,058,928 ordinary shares (“**Shares**”). As at the date of this announcement, the bulk of the Shares (i.e. approximately 89.97%) is registered under the Company's share registrar in Hong

Kong for trading on the SEHK and the balance 10.03% under the Company's share registrar in Singapore for trading on the SGX-ST.

The Conversion would help reflect the geographic profile of the holdings of the Shares.

(c) Trading Volume

For the last three financial years, the total and average daily trading volumes of the Shares on the SGX-ST has been consistently and significantly lower than the trading of the Shares on the SEHK. The Company has also observed that share prices of the Company are also generally higher, with more active trading on the SEHK.

The respective total and average daily trading volumes of the Shares on the SGX-ST and the SEHK between 2013 and 2015 are set out in the table below.

		SGX-ST	SEHK
Total Trading Volume	2015	5,581,600	86,539,900
	2014	1,999,000	49,348,900
	2013	4,971,700	77,739,100
Average Daily Trading Volume ^(Note)	2015	22,149	354,672
	2014	7,933	202,250
	2013	19,729	318,603

Note: For illustration purpose, this is computed based on the number of working days per year and it is assumed that Singapore has 252 working days per year and Hong Kong has 244 working days per year (due to differences in public holidays, but excluding occurrences of typhoon).

(d) Business Profile

The Company's principal place of business is currently located in Hong Kong, and its business activities originate mainly from Hong Kong and Mainland China.

The Conversion would help reflect the geographical business profile of the Company.

(e) No Adverse Effect on Shareholders

Shareholders of the Company ("Shareholders") registered in Singapore would not be adversely affected by the Conversion and it would also not affect the rights of the Shareholders holding Shares in Singapore or Hong Kong. The ability of Shareholders to trade shares on the SGX-ST would not be in any way affected and Shareholders will not be prejudiced by the Conversion as the Company will still be required to comply with the SEHK listing rules.

The Conversion is expected to streamline the Company's compliance obligations, create efficiencies in resources, allow the Company greater flexibility in its activities, and better reflect the Shareholder profile and geographic business profile of the Company, without any adverse effect on Shareholders.

3. SGX-ST IN-PRINCIPLE APPROVAL

The Company has on the date of this announcement received the in-principle approval of the SGX-ST for the Conversion, subject to the following conditions:

- (a) Shareholders' approval on the Conversion;
- (b) Compliance with the SGX-ST's listing requirements and other such requirements that the SGX-ST may impose from time to time;
- (c) The Company maintaining its primary listing on the SEHK;
- (d) Submission of a written undertaking from the Company that it will provide arrangements such as video conference for Singapore Shareholders to attend, speak and vote at shareholders' meetings;
- (e) Submission of a written undertaking from the Company that in the event the Company is delisted from the Official List of the SGX-ST within three years of the Conversion:
 - (i) The Company would offer a reasonable exit alternative, which should normally be in cash, to the (1) Shareholders and (2) holders of any other classes of the listed securities to be delisted; and
 - (ii) The Company should normally appoint an independent financial adviser to advise on the exit offer;
- (f) Proper disclosure in the shareholders' circular that the requirement for a reasonable exit offer to be provided to the Shareholders and holders of any other classes of the listed securities is not applicable should the Company decide to delist after three years of the Conversion;
- (g) Submission of a written undertaking from the Company that it would comply with the following as set out in Rule 217 of the Listing Manual of the SGX-ST:
 - (i) to release all information and documents in English to the SGX-ST via SGXNET at the same time as they are released to the SEHK;
 - (ii) to inform the SGX-ST of any issue of additional securities in a class already listed on the SGX-ST and the decision of the SEHK; and
 - (iii) to comply with such other listing rules as may be applied by the SGX-ST from time to time;
- (h) Submission of a written undertaking from the Company that it would comply with the following as set out in Rule 751 of the SGX-ST Listing Manual:
 - (i) maintain its primary listing on the SEHK;
 - (ii) be subject to all the applicable listing rules of the SEHK (unless a waiver has been obtained for any non-compliance); and
 - (iii) provide an annual certification in the form prescribed at Appendix 7.6 that it has complied with the applicable continuing listing obligations in the SGX-ST Listing Manual;

- (i) Submission of a written undertaking from the Company that an announcement via SGXNET will be made as soon as there is any change in the law of its country of incorporation, which may affect or change Shareholders' rights or obligations over its securities, including:
 - (i) the right to attend, speak, vote at Shareholders' meetings and the right to appoint proxies;
 - (ii) the right to receive rights offering and any other entitlements;
 - (iii) withholding taxes on its securities;
 - (iv) stamp duties on its securities; and
 - (v) obligations to file documents or make declarations in respect of its securities;
- (j) Submission of a written undertaking from the Company that in the event of a need for a trading halt in the Shares, the Company would request for a trading halt on all exchanges at the same time; and
- (k) Submission of an undertaking in the form set out at Appendix 2.3.2 of the SGX-ST Listing Manual.

The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Conversion, the Company or its subsidiaries or their securities.

4. SPECIAL GENERAL MEETING

A circular containing further details on the Conversion, together with a notice of the special general meeting to be convened by the Company for the purpose of seeking Shareholders' approvals in connection with the Conversion will be despatched to the Shareholders in due course.

By Order of the Board

Sue Ka Lok
Chairman
2 August 2016