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COURAGE INVESTMENT GROUP LIMITED

勇利投資集團有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: CIN)

(1) PROPOSED CAPITAL REORGANISATION INVOLVING CAPITAL REDUCTION AND SHARE PREMIUM ACCOUNT REDUCTION AND SHARE SUBDIVISION;

(2) PROPOSED CHANGE OF BOARD LOT SIZE;

AND

(3) PROPOSED OPEN OFFER ON THE BASIS OF ONE OFFER SHARE FOR EVERY ONE SHARE HELD ON THE RECORD DATE PAYABLE IN FULL ON APPLICATION

THE CAPITAL REORGANISATION

The Board proposes to put forward to the Shareholders the Capital Reorganisation proposal which will involve the following:

- (i) the reduction of issued share capital of the Company whereby the par value of each issued Share will be reduced from US\$0.06 to US\$0.001 by cancelling US\$0.059 of the paid-up capital on each issued Share;

- (ii) immediately following the Capital Reduction, the sub-division of each unissued Share of US\$0.06 in the authorised share capital of the Company into 60 Shares of US\$0.001 each so that immediately following the Capital Reduction and the Share Subdivision, the authorised share capital of the Company shall become US\$180,000,000 divided into 180,000,000,000 Shares of US\$0.001 each;
- (iii) the Share Premium Account Reduction, being the reduction of the entire amount standing to the credit of the share premium account of the Company;
- (iv) the transfer of the credits arising from the Capital Reduction and the Share Premium Account Reduction to the contributed surplus account of the Company; and
- (v) the application of the amount standing to the credit of the contributed surplus account of the Company to set off the accumulated losses of the Company as permitted by the laws of Bermuda and the Bye-Laws.

CHANGE OF BOARD LOT SIZE

The Board also proposes to change the board lot size for trading in the Shares quoted and traded on the Hong Kong Stock Exchange from 1,000 Shares to 20,000 Shares upon the Capital Reorganisation becoming effective.

PROPOSED OPEN OFFER

Conditional upon, among other things, the Capital Reorganisation becoming effective, the Company proposes to raise approximately HK\$71.35 million before expenses (assuming no issue of new Shares or repurchase of Shares by the Company on or before the Record Date) by way of the Open Offer of 548,851,784 Offer Shares at the Subscription Price of HK\$0.13 per Offer Share on the basis of one Offer Share for every Share held on the Record Date which is payable in full on application. The Subscription Price is agreed after arm's length negotiations between the Company and the Underwriter.

In line with the Group's corporate development strategy of expanding the scale of its marine transportation business, the Group has been seeking investment opportunities to increase the carrying capacity of its dry bulk fleet through acquisition of additional vessel(s). Currently, the Company is identifying the opportunities to acquire a second hand Supramax dry bulk carrier with carrying capacity of approximately 57,000 dwt with a view to expand its fleet which at present comprises three Supramax vessels with total carrying capacity of approximately 171,000 dwt.

The net proceeds of the Open Offer is estimated to be approximately HK\$67.69 million (assuming no issue of new Shares or repurchase of Shares by the Company on or before the Record Date). The Board believes that such proceeds can provide immediate liquidity to the Company, and thereby allowing the Company to promptly secure acquisition opportunities once suitable vessel(s)

is/are identified. Before proceeding with the acquisition of vessel, the Company intends to utilize approximately HK\$22 million of the net proceeds to repay the Group's existing bank revolving loan to achieve immediate savings in finance costs, while the remainder of the proceeds from the Open Offer will be used as working capital of the Group and/or for the acquisition of vessel if and when the acquisition materialises.

The Open Offer is fully underwritten by the Underwriter and is subject to the fulfilment of the conditions set out below under the paragraph headed "Conditions of the Open Offer". In particular, the Open Offer is subject to the Capital Reorganisation becoming effective and the Underwriter not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Open Offer may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares from the date of this announcement up to the date when the conditions of the Open Offer are fulfilled and/or the Latest Time for Termination will bear the risk that the Open Offer does not become unconditional and may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If in any doubt, investors should consider obtaining professional advice.

LISTING RULES IMPLICATIONS

The Capital Reorganisation is subject to the approval by Special Resolution of the Shareholders on a vote to be taken by way of poll at the SGM.

In accordance with Rule 7.24A(1) of the Listing Rules, the Open Offer must be made conditional on, amongst other things, the approval by the Independent Shareholders at which any controlling shareholders and their respective associates or, where there are no controlling shareholders, the Directors (excluding the Independent Non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the Open Offer.

As at the date of this announcement, the Company has no controlling Shareholder and none of its Directors or chief executive is interested in any Shares. Accordingly, no Shareholder is required to abstain from voting in favour of the Open Offer at the SGM.

GENERAL

The Independent Board Committee comprising all the Independent Non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the Open Offer are fair and reasonable and in the interest of the Shareholders as a whole; and (ii) as to how to vote at the SGM, taking into account the recommendations of the Independent Financial Adviser. Donvex Capital Limited has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders in respect of the Open Offer.

A circular containing, among other things, (i) further details of the Capital Reorganisation and the Open Offer; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Open Offer; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Open Offer; and (iv) a notice convening the SGM, is expected to be despatched to Shareholders on or before 27 August 2020.

Subject to fulfilment of the conditions of the Open Offer including the approval of the Independent Shareholders at the SGM and upon the Capital Reorganisation becoming effective, the Company will despatch the Prospectus Documents or as applicable, ARE, containing (among other things) details of the Open Offer to the Qualifying Shareholders as soon as practicable whereas the Prospectus will be despatched to the Excluded Overseas Shareholders for information only.

The Qualifying Shareholders will include Depositors with Shares standing to the credit of their Securities Accounts with CDP and whose registered addresses with CDP are in Singapore as at the Record Date or who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date.

A. PROPOSED CAPITAL REORGANISATION INVOLVING CAPITAL REDUCTION, SHARE PREMIUM ACCOUNT REDUCTION AND SHARE SUBDIVISION

The Board proposes to put forward to the Shareholders the Capital Reorganisation proposal which will involve the following:

- (i) the reduction of issued share capital of the Company whereby the par value of each issued Share will be reduced from US\$0.06 to US\$0.001 by cancelling US\$0.059 of the paid-up capital on each issued Share;
- (ii) immediately following the Capital Reduction, the sub-division of each unissued Share of US\$0.06 in the authorised share capital of the Company into 60 Shares of US\$0.001 each so that immediately following the Capital Reduction and the Share Subdivision, the authorised share capital of the Company shall become US\$180,000,000 divided into 180,000,000,000 Shares of US\$0.001 each;
- (iii) the Share Premium Account Reduction, being the reduction of the entire amount standing to the credit of the share premium account of the Company. As at 31 December 2019, the Company had a credit balance of approximately US\$42,449,000 standing in its share premium account;
- (iv) the transfer of the credits arising from the Capital Reduction and the Share Premium Account Reduction to the contributed surplus account of the Company; and

- (v) the application of the amount standing to the credit of the contributed surplus account of the Company to set off the accumulated losses of the Company as permitted by the laws of Bermuda and the Bye-Laws. As at 31 December 2019, the total accumulated losses of the Company was approximately US\$33,802,000.

Effects of the Capital Reorganisation

As at the date of this announcement, the authorized share capital of the Company is US\$180,000,000 divided into 3,000,000,000 Shares of US\$0.06 each, of which 548,851,784 Shares are issued and credited as fully paid.

Upon the Capital Reorganisation becoming effective, the par value of all issued and unissued Shares will be reduced from US\$0.06 each to US\$0.001 each and the issued share capital of the Company will accordingly be reduced to US\$548,851.784 comprising 548,851,784 Shares of US\$0.001 each.

The credit of approximately US\$32,382,255 arising from the Capital Reduction and the credit arising from the Share Premium Account Reduction will be transferred to the contributed surplus account of the Company and applied to set off against the accumulated losses of the Company as permitted by the laws of Bermuda and the Bye-Laws and the balance of the credit after such set off will remain at the contributed surplus account of the Company.

Other than the relevant expenses incurred, the implementation of the Capital Reorganisation will not have a material adverse effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders in the Company.

The Capital Reorganisation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the return of capital or cash to the Shareholders, nor will it result in any change in the relative rights of the Shareholders.

Reasons for the Capital Reorganisation

The main purpose for implementing the Capital Reduction is to (i) apply the credit arising from the Capital Reduction and the Share Premium Account Reduction to set off the accumulated losses of the Company; (ii) facilitate issue of new Shares; and (iii) provide flexibility for future dividend distribution plans.

The Directors are of the view that the expenses to be incurred in relation to the Capital Reorganisation will not have a material adverse effect on the financial position of the Group, and the Capital Reorganisation will not alter the underlying assets, business operations and management of the Company or the proportionate interests of the Shareholders in the Company.

Accordingly, the Directors consider the Capital Reorganisation to be in the interests of the Company and the Shareholders as a whole.

Conditions of the Capital Reorganisation

The Capital Reorganisation (which will be effected in accordance with the Bye-Laws and the Bermuda Companies Act) is conditional upon:–

- (a) the passing of the relevant Special Resolution by the Shareholders on a vote taken by way of poll at the SGM to approve the Capital Reorganisation;
- (b) the Hong Kong Stock Exchange granting the listing of and permission to deal in Shares in the Company with a reduced par value of US\$0.001 each following the Capital Reorganisation; and
- (c) compliance with all relevant procedures and requirements under section 46(2) of the Bermuda Companies Act to effect the Capital Reorganisation, including (i) publication of a notice in relation to the Capital Reorganisation in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the date on which the Capital Reorganisation is to take effect; and (ii) that on the date the Capital Reorganisation is to be effected, there are no reasonable grounds for believing that the Company is, or after the Capital Reorganisation, would be unable to pay its liabilities as they become due.

The Capital Reorganisation is expected to become effective on the Capital Reorganisation Effective Date. Application will be made to the Hong Kong Stock Exchange for the granting of listing of, and permission to deal in, the Shares with a reduced par value of US\$0.001 each following the Capital Reorganisation.

B. CHANGE IN BOARD LOT SIZE

The existing Shares are currently traded on the Hong Kong Stock Exchange in board lots of 1,000 Shares. The Company proposes to change the board lot size for Shares quoted and traded on the Hong Kong Stock Exchange from 1,000 Shares to 20,000 Shares upon the Capital Reorganisation becoming effective.

Based on the closing price of HK\$0.193 per Share as at the date of this announcement and the existing board lot size of 1,000 Shares, the prevailing board lot value is HK\$193. In light of the guidance set out in the “Guide on Trading Arrangements for Selected Types of Corporate Actions” published by the Hong Kong Exchanges and Clearing Limited, taking into account the basic transaction costs for securities trade, the board lot value should be greater than HK\$2,000. Based on the same price and assuming the Change in Board Lot Size has become effective, the new board lot value would be HK\$3,860. The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders. The Board also believes that the Change in

Board Lot Size may save transaction and registration costs incurred by Shareholders and potential investors dealing in the Shares. The Board is therefore of the view that the Change in Board Lot Size is in the interests of the Company and its Shareholders as a whole.

Shareholders who are interested in Shares that are quoted on the SGX-ST should note that there will be no change in the board lot size of the Shares quoted on the SGX-ST.

Odd Lot Arrangements

In order to facilitate the trading of odd lots of Shares arising from the Change in Board Lot Size, a designated broker will be appointed to match the purchase and sale of odd lots of the Shares at the relevant market price per Share for the period from Wednesday, 16 September 2020 to Thursday, 15 October 2020 (both dates inclusive). Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers. Details of the matching service will be provided in the circular to be despatched to the Shareholders in relation to, inter alia, the Capital Reorganisation, the Change in Board Lot Size and the Open Offer.

For the avoidance of doubt, no arrangements for trading of odd lots of Shares will be made for Depositors.

Free Exchange of Share Certificates

Subject to the Capital Reorganisation and the Change in Board Lot Size becoming effective, Shareholders may submit existing Share certificates in board lots of 1,000 Shares to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for exchange for new share certificates for the Shares of par value of US\$0.001 each from Wednesday, 16 September 2020 to Thursday, 15 October 2020, both dates inclusive, at the expense of the Company. Thereafter, the existing share certificates for the Shares of par value of US\$0.06 each will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Hong Kong Stock Exchange), for each new share certificate issued or each existing Share certificate submitted for cancellation, whichever the number of share certificates issued or cancelled is higher. The existing Share certificates will continue to be valid for delivery, trading and settlement purposes.

The new share certificates for the Shares of par value of US\$0.001 each will be issued in red colour in order to distinguish them from the existing blue colour.

For the avoidance of doubt, the exchange of share certificates will not apply to Depositors.

C. PROPOSED OPEN OFFER

The Open Offer is proposed to take place after the Capital Reorganisation becoming effective.

Issue statistics

Basis of Open Offer:	one Offer Share for every one Share held on the Record Date
Subscription Price:	HK\$0.13 per Offer Share
Number of Shares in issue as at the date of this announcement	548,851,784 Shares
Number of Offer Shares:	548,851,784 Shares (assuming no issue of new Shares or repurchase of Shares by the Company on or before the Record Date) with an aggregate nominal value of US\$548,851.784, representing 100% of the existing issued share capital of the Company as at the date of this announcement and 50% of the issued share capital of the Company as enlarged by the allotment and issuance of the Offer Shares
Total number of Shares in issue upon completion of the Open Offer:	1,097,703,568 Shares (assuming no issue of new Shares or repurchase of Shares by the Company on or before the Record Date)
Gross proceeds from the Open Offer before expenses:	approximately HK\$71.35 million (assuming no issue of new Shares or repurchase of Shares by the Company on or before the Record Date)
Net price of each Offer Share (i.e. Subscription Price less cost and expenses incurred in the Open Offer):	approximately HK\$0.123 per Offer Share
Record Date:	21 September 2020

The Company has no derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the date of this announcement.

Subscription Price

The Subscription Price is HK\$0.13 (equivalent to approximately US\$0.017 or S\$0.023 per Offer Share), payable in full by a Qualifying Shareholder on application.

The Subscription Price represents:–

- (i) a discount of approximately 32.64% to the closing price of HK\$0.193 per Share as quoted on the Hong Kong Stock Exchange on the Last Trading Day and same as the closing price of S\$0.023 per Share as quoted on the SGX-ST on that date;
- (ii) a discount of approximately 34.01% to the average closing price of approximately HK\$0.197 per Share for the last five trading days up to and including the Last Trading Day as quoted on the Hong Kong Stock Exchange and same as the average closing price of approximately S\$0.023 per Share as quoted on the SGX-ST for the same period;
- (iii) a discount of approximately 20.73% to the theoretical ex-rights price of approximately HK\$0.164 per Share determined based on the average closing price per Share as quoted on the Hong Kong Stock Exchange for the last five trading days prior to the Last Trading Day and same as the theoretical ex-rights price of approximately S\$0.023 per Share determined based on the average closing price per Share as quoted on the SGX-ST for the last five trading days prior to the Last Trading Day;
- (iv) a discount of approximately 78.75% to the audited net asset value per Share of approximately US\$0.080 as at 31 December 2019; and
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 17.17% represented by the theoretical diluted price of HK\$0.164 per Share to the benchmarked price of approximately HK\$0.198 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price of the Shares on the Last Trading Day of HK\$0.193 per Share and the average closing price per Share as quoted on the Hong Kong Stock Exchange for the last five trading days prior to the Last Trading Day of approximately HK\$0.198 per Share).

The Subscription Price was set at a discount to the recent closing prices of the Shares with the aim to lowering the further investment cost of the Shareholders so as to encourage them to take up their entitlements to maintain their shareholdings in the Company, thereby minimising the dilution impact to the Shareholders. The terms of the Open Offer, including the Subscription Price, were arrived at after arm's length negotiation between the Company and the Underwriter taking into account, among other things (i) the market price of the Shares under the prevailing market conditions, and (ii) the business performance and financial position of the Group.

The Directors (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular of the Company after having been advised by the Independent Financial Adviser) consider that, despite any potential dilution impact of the Open Offer on the shareholding interests of the Shareholders, the terms and structure of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Qualifying Shareholders who choose to accept their assured entitlements in full can maintain their respective existing shareholding interests in

the Company after the Open Offer; and (ii) the Open Offer allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Offer Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the historical market price of the Shares. Accordingly, the Directors (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular of the Company after having been advised by the Independent Financial Adviser) are of the view that the terms and structure of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Offer Shares

The Offer Shares, when allotted and fully paid, will rank pari passu in all respects with the Shares then in issue. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions, which are declared, made or paid, the record date of which is after the date of allotment of the Offer Shares in their fully-paid form.

Basis of allotment

One Offer Share for every one Share held by the Qualifying Shareholders as at the close of business on the Record Date.

Qualifying Shareholders

The Company will offer the Offer Shares for subscription to the Qualifying Shareholders (including Entitled Depositors) only. The Prospectus will be sent to the Excluded Overseas Shareholders for information only.

A Qualifying Shareholder must at the close of business on the Record Date:

- (i) be registered as a Shareholder of the Company or is an Entitled Depositor; and
- (ii) not be an Excluded Overseas Shareholder.

In order for a transferee to be registered as a Shareholder of the Company on the Record Date and to qualify for the Open Offer, the transferee must lodge a transfer of the Shares (together with the relevant share certificates) with the Company's branch share registrar in Hong Kong by 4:30 p.m. (Hong Kong time) on Friday, 18 September 2020.

The address of the Company's branch share registrar and transfer office in Hong Kong is Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Depositors

Depositors having registered addresses outside of Singapore who may wish to participate in the Open Offer may wish to provide an address in Singapore for the service of notices and documents by notifying in writing, as the case may be, (i) The Central Depository (Pte) Limited at 9 North Buona Vista Drive #01-19/20, The Metropolis Tower 2, Singapore 138588 or (ii) Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date.

Entitled Depositors will receive an instruction booklet (“**Instruction Booklet**”) with the AREs for the Offer Shares and excess Offer Shares and other accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive the Instruction Booklet and the AREs may obtain them from CDP during the period from the date the Open Offer commences up to a date and time, to be determined by the Directors, being the last date and time for acceptance and/or excess application and payment, and payment of the Offer Shares under the Open Offer.

The Irrevocable Undertaking

Success United Development Limited, a Shareholder holding approximately 28.79% of all the issued Shares as at the date of this announcement, has on 24 July 2020 executed the Irrevocable Undertaking in favour of the Company and the Underwriter pursuant to which it has irrevocably and unconditionally undertaken to, among other things, (i) accept its entitlements to the allotment of 157,995,066 Offer Shares; (ii) not to sell or transfer the Shares held by it in any manner before the completion or lapse of the Open Offer; and (iii) not to apply for any Offer Shares in excess of those allotted to it under the Open Offer.

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

There will not be any prospectus or offering information statement registered or lodged in Singapore in connection with the Open Offer as the Open Offer to Entitled Depositors will be made pursuant to the exemption under s.273(1)(ce) of the Securities and Futures Act (Cap. 289) of Singapore, while the offer of the Offer Shares to the Underwriter (if applicable) will be made pursuant to the exemption under 273(1)(cc) of the Securities and Futures Act (Cap. 289) of Singapore. The Company will comply with Rule 13.36(2)(a) of the Listing Rules and make enquiries regarding the feasibility of extending the offer of the Offer Shares to Overseas Shareholders. If based on legal opinions provided by the legal advisors to the Company, the Directors consider that it is necessary or expedient not to offer the Offer Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the place of his/her/its

registered address or the requirements of the relevant regulatory body or stock exchange in that place, the Directors will exercise their discretion given to them under the Bye-Laws to exclude such Overseas Shareholders from the Open Offer.

The Company will send the Prospectus to the Excluded Overseas Shareholders for their information only. The Company will not send the application forms for subscription of the Offer Shares and excess Offer Shares to the Excluded Overseas Shareholders. The Excluded Overseas Shareholders will be entitled to attend and vote at the SGM.

Closure of register of members

For Shareholders interested in Shares quoted on the Hong Kong Stock Exchange, the register of members of the Company will be closed from Monday, 21 September 2020 to Friday, 25 September 2020 (both dates inclusive) for the purpose of determining entitlement to the Open Offer. No transfers of Shares will be registered during this period.

Fractions of the Offer Shares

On the basis of allotment of one (1) Offer Share for every one (1) Share held on the Record Date, no fractional entitlements to the Offer Shares will arise under the Open Offer.

Application for excess Offer Shares

Qualifying Shareholders shall be entitled to apply for entitlement of Offer Shares created which are not taken up by other Qualifying Shareholders in excess of their own assured allotments but are not assured of being allocated any Offer Shares in excess of those in their assured allotments. Application may be made by Qualifying Shareholders by completing the EAF (or in the case of the Entitled Depositors, the ARE) and lodging the same with a separate remittance for the excess Offer Shares being applied for. The Directors will, upon consultation with the Underwriter, allocate the excess Offer Shares at their discretion on a fair and equitable basis as far as practicable, according to the principle that any excess Offer Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of the excess Offer Shares applied for by all such Qualifying Shareholders.

For Entitled Depositors who wishes to accept his/her/its assured allotment of Offer Shares specified in the ARE, in full or in part, and (if applicable) apply for excess Offer Shares, the Entitled Depositors may do so through CDP, by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the assured allotment of Offer Shares and (if applicable) application for excess Offer Shares may be rejected.

No preference will be given to topping-up odd lots to whole board lots. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for excess Offer Shares.

Any remaining Offer Shares not applied for by the Qualifying Shareholders will be taken up by the Underwriter, sub-underwriter(s) (if any) or subscriber(s) procured by them.

In the event that the Board notes unusual patterns of excess Offer Shares applications and has reason to believe that any application may have been made with the intention to abuse the above mechanism, such application(s) for excess Offer Shares may be rejected at the sole discretion of the Board.

Shareholders with Shares held by a nominee (or which are held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Accordingly, such Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Offer Shares will not be extended to the relevant beneficial owners individually. Shareholders with Shares held by a nominee (or which are held in CCASS) are advised to consider whether they would like to arrange for the registration of their relevant Shares under the names of the beneficial owners prior to the Record Date for the purpose of the Open Offer. Shareholders and investors should consult their professional advisers if they are in doubt as to their status.

Depositors will only be able to exercise their rights to accept and (if applicable) apply for excess Offer Shares via CDP. For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the “Free Balance” of your Securities Account is not credited with, or is credited with less than the relevant number of Offer Shares accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the excess application is in breach of the terms of the ARE, at CDP’s absolute discretion, and to return all monies received to the person(s) entitled thereto **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/HER/ITS OWN RISK** or in such other manner as he/she/it may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/she/it accepts and (if applicable) apply through CDP).

Share certificates for the Offer Shares and refund cheques

Subject to the fulfilment of the conditions of the Open Offer, share certificates for all Offer Shares are expected to be posted to the Qualifying Shareholders (excluding Entitled Depositors) who have accepted and applied for (where appropriate), and paid for the Offer Shares on or before Friday, 30 October 2020 by ordinary post at their own risk, save for the Entitled

Depositors, where the share certificate in respect of the Offer Shares which they have accepted and applied (if applicable) and paid for will be issued and despatched to CDP, and their securities accounts or sub-accounts maintained with CDP credited with such Offer Shares. Refund cheques to the Qualifying Shareholders (Excluding the Entitled Depositors) and the Entitled Depositors in respect of wholly or partially unsuccessful applications for excess Offer Shares are also expected to be posted on Friday, 30 October 2020 and Monday, 2 November 2020 respectively by ordinary post to the applicants at their own risk.

The first day of dealing in the Offer Shares in their fully-paid form on the Hong Kong Stock Exchange and the SGX-ST is expected to commence at 9:00 a.m. on Monday, 2 November 2020.

Application for listing

The Company will apply to the Listing Committee of the Hong Kong Stock Exchange and the SGX-ST respectively for the listing of, and permission to deal in, the Offer Shares to be allotted and issued pursuant to the Open Offer.

As the Company is secondarily listed on the SGX-ST, the Company has notified the SGX-ST of the Open Offer as required under Rule 217 of the SGX-ST listing rules and will need to further notify the SGX-ST of the decision of the Hong Kong Stock Exchange in respect of the listing of and permission to deal in the Offer Shares on the Hong Kong Stock Exchange in due course, for the purposes of facilitating the listing and quotation of the Offer Shares on the SGX-ST.

Reasons for the Open Offer and use of proceeds

The principal activity of the Company is investment holding and the principal activities of the Group are marine transportation, property holding and investment, investment holding and merchandise trading.

In line with the Group's corporate development strategy of expanding the scale of its marine transportation business, the Group has been seeking investment opportunities to increase the carrying capacity of its dry bulk fleet through acquisition of additional vessel(s). Currently, the Company is identifying the opportunities to acquire a second hand Supramax dry bulk carrier with carrying capacity of approximately 57,000 dwt with a view to expand its fleet which at present comprises three Supramax vessels with total carrying capacity of approximately 171,000 dwt.

The net proceeds of the Open Offer is estimated to be approximately HK\$67.69 million (assuming no issue of new Shares or repurchase of Shares by the Company on or before the Record Date). The Board believes that such proceeds can provide immediate liquidity to the Company, and thereby allowing the Company to promptly secure acquisition opportunities once suitable vessel(s) is/are identified. Before proceeding with the acquisition of vessel, the Company intends to utilize approximately HK\$22 million of the net proceeds to repay the

Group’s existing bank revolving loan to achieve immediate savings in finance costs, while the remainder of the proceeds from the Open Offer will be used as working capital of the Group and/or for the acquisition of vessel if and when the acquisition materialises.

Having considered other fund raising alternatives for the Group, including issuance of debt securities and Share placements and taking into account the benefit and costs of each alternative, the Board considers that the Open Offer provides a good opportunity for the Group to strengthen its capital base and to enhance its financial position, while at the same time the Open Offer will enable all Shareholders to participate in the future development of the Group on equal terms. Since the Open Offer will allow the Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company and therefore avoid dilution, the Board considers that it is in the interests of the Company and the Shareholders as a whole to raise capital through the Open Offer.

The Board initially considered to conduct the present equity fund raising exercise by way of a rights issue instead of an open offer as a rights issue will provide an alternative to Shareholders to sell nil-paid rights if they do not wish to participate in the rights issue. However, as there will be additional timing, administrative and costs burden on the Company in light of the legal requirements under the Singapore securities law and the differences in trading arrangements between the Hong Kong Stock Exchange and SGX-ST, the Board has determined to conduct the Open Offer instead.

Underwriting Agreement

On 24 July 2020 (after trading hours), the Underwriter and the Company entered into the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to underwrite by way of subscription of, or procuring subscribers to subscribe for, up to 390,856,718 Offer Shares assuming no further issue of new Share(s) and no repurchase of Share(s) by the Company on or before the Record Date.

Date: 24 July 2020

Underwriter Get Nice Securities Limited

To the best knowledge and information of the Directors, after reasonable enquiries, the Underwriter is licensed under the SFO to conduct Type 1 regulated activity and its ordinary course of business includes underwriting of securities, and it is independent of and not connected with the Company or its connected persons.

Total number of Offer Shares to be underwritten by the Underwriter: Up to 390,856,718 Offer Shares assuming no further issue of new Share(s) and no repurchase of Share(s) by the Company on or before the Record Date

Commission: The Underwriter will receive 2% of the aggregate Subscription Price in respect of the underwritten Offer Shares as underwriting commission

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiations between the Company and the Underwriter with reference to the existing financial position of the Group, the size of the Open Offer, and the current and expected market conditions.

The Directors (excluding the members of the Independent Board Committee whose opinion will be set forth in the circular of the Company after having been advised by the Independent Financial Adviser) are of the view that the terms of the Underwriting Agreement, including the commission rate, are fair and reasonable and the transactions contemplated under the Underwriting Agreement are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination:

- (a) there develops, occurs, exists or comes into force any event whereby in the reasonable opinion of the Underwriter, the success of the Open Offer or the business or financial condition or prospects of the Group would, might be or is likely to be adversely affected or which makes it inadvisable or inexpedient to proceed with the Open Offer, including:–
 - (i) the introduction of any new law or regulation or any change in existing laws or regulations (or any change in the judicial interpretation thereof) whether in Hong Kong or elsewhere; or
 - (ii) any change or deterioration (whether or not permanent) in local, national or international, economic, financial, political or military conditions or any event beyond the control of the Company (including, without limitation, acts of government, strikes, wars, acts of violence, acts of terrorism, sabotage, raids, attacks, explosion, flooding, civil commotion, terrorist attack, acts of God or accident); or
 - (iii) any change or deterioration (whether or not permanent) in local, national or international securities market conditions; or
 - (iv) without prejudice to sub-paragraphs (ii) and (iii) above, the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Hong Kong Stock Exchange due to exceptional financial or political circumstances or otherwise; or

- (v) any local, national or international outbreak or escalation of hostilities, insurrection or amend conflict; or
 - (vi) any suspension in the trading of Shares on the Hong Kong Stock Exchange for a continuous period of ten Business Days (save and except for any temporary suspension of dealing for a period not exceeding ten consecutive Business Days pending the publication of this announcement or any other public announcement, circular by the Company as may be required by the Hong Kong Stock Exchange and/or the Securities and Futures Commission); or
 - (vii) a change or development involving a prospective change in taxation or exchange control in Hong Kong, Singapore or elsewhere which will or may materially and adversely affect the Group or the present or prospective shareholders of the Company in their capacity as such; or
 - (viii) any material adverse change in the circumstances of the Company or any member of the Group (including, without limitation, the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group); or
- (b) there comes to the notice of the Underwriter or the Underwriter shall have reasonable cause to believe that any of the undertakings or other obligations expressed to be assumed by or imposed on the Company under the Underwriting Agreement have not been complied with in any respect; or
- (c) there comes to the notice of the Underwriter or the Underwriter shall have reasonable cause to believe that any of the representations or warranties given by the Company under the Underwriting Agreement was untrue or inaccurate in any respect which adversely affect the success of the Open Offer,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Open Offer will not proceed if the Underwriter exercises its rights to terminate the Underwriting Agreement.

Conditions of the Open Offer

The Open Offer is conditional upon:

- (i) the Capital Reorganisation becoming effective;

- (ii) the Prospectus Documents being duly approved by the Directors, the signing by or on behalf of all of the Directors on or before the Posting Date of two copies of each of the Prospectus Documents and the certification by two Directors in the manner as mentioned in paragraph (iii) below of two copies of each of the Prospectus Documents and the delivery on or before the Posting Date of one such signed copy of each of the Prospectus Documents to the Underwriter;
- (iii) the delivery to the Hong Kong Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified in compliance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (and all other documents required to be attached thereto);
- (iv) the posting of (a) the Prospectus Documents to the Qualifying Shareholders (except the Entitled Depositors) and the Prospectus marked “For information only” to the Excluded Overseas Shareholders (if any) in each case, on the Posting Date; and (b) the ARE to the Entitled Depositors on the Posting Date;
- (v) compliance by the Company of its document delivery obligations as specified in the Underwriting Agreement;
- (vi) the Listing Committee of the Hong Kong Stock Exchange and the SGX-ST granting listing of, and permission to deal in, the Offer Shares on the Hong Kong Stock Exchange and the SGX-ST respectively, either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the dates specified in such approval and not having withdrawn or revoked such listings and permission on or before the Latest Time for Termination;
- (vii) if required, the Bermuda Monetary Authority granting its consent to the issue of the Offer Shares on or before the Posting Date; and
- (viii) the approval of the Open Offer and issue of the Offer Shares by resolution of the Independent Shareholders at the SGM.

The conditions precedent set out above are incapable of being waived.

If the conditions precedent set out in the above paragraphs have not been satisfied in whole or in part by the Company on or before the Posting Date or in the event that the condition in paragraph (vi) above has not been satisfied on or before the Latest Time for Termination, the Underwriting Agreement will terminate and none of the parties thereto shall have any claim against the other save that all such reasonable costs, fees and other out of pocket expenses (excluding sub-underwriting fees and related expenses) as have been properly incurred by the Underwriter in connection with the underwriting of the underwritten Shares by the Underwriter

shall to the extent agreed by the Company be borne by the Company. The Open Offer will accordingly not proceed in this case. The Irrevocable Undertaking will also lapse upon termination of the Underwriting Agreement.

EXPECTED TIMETABLE

For Shareholders interested in Shares quoted on the Hong Kong Stock Exchange

- Expected date of despatch of the Circular in relation to,
inter alia, the Capital Reorganisation,
the Change in Board Lot Size and
the Open Offer to the Shareholders Thursday, 27 August 2020

- Latest time for lodging transfer of the Shares
in order to be qualified for attending the SGM 4:30 p.m. Tuesday, 8 September 2020

- Record Date for determining entitlement to attend the SGM Tuesday, 8 September 2020

- Latest time for lodging proxy forms for the SGM 10:00 a.m. Saturday, 12 September 2020

- Expected date of the SGM 10:00 a.m. Monday, 14 September 2020

- Announcement of the results of the SGM Monday, 14 September 2020

- Effective date of the Capital Reorganisation
and Change in Board Lot Size Wednesday, 16 September 2020

- Original counter for trading in Shares in board lots of 1,000
Shares each becomes counter for trading in Shares
in board lots of 20,000 Shares each Wednesday, 16 September 2020

- First day for free exchange of share certificates Wednesday, 16 September 2020

- Designated broker starts to stand in the market to
provide matching services for sale and purchase of
odd lots of Shares Wednesday, 16 September 2020

- Last day of dealings in the Shares
on a cum-entitlement basis Wednesday, 16 September 2020

- Commencement of dealings in the Shares
on an ex-entitlement basis 9:00 a.m. Thursday, 17 September 2020

Latest time for lodging transfer of the Shares in order to be qualified for the Open Offer	4:30 p.m. Friday, 18 September 2020
Closure of register of members to determine the eligibility of the Open Offer	Monday, 21 September 2020 to Friday, 25 September 2020 (both dates inclusive)
Record Date for the Open Offer	Monday, 21 September 2020
Register of members re-opens	Monday, 28 September 2020
Despatch of the Prospectus Documents	Tuesday, 29 September 2020
Last day for free exchange of share certificates	Thursday, 15 October 2020
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Shares	Thursday, 15 October 2020
Latest time for application and payment for, the Offer Shares and excess Offer Shares	4:00 p.m. Friday, 16 October 2020
Latest time for termination of the Underwriting Agreement	4:00 p.m. Friday, 23 October 2020
Announcement of results of the Open Offer	Thursday, 29 October 2020
Refund cheques for wholly and partially unsuccessful applications for excess Offer Shares expected to be posted on or before	Friday, 30 October 2020
Certificates for the Offer Shares expected to be despatched on or before	Friday, 30 October 2020
Dealings in Offer Shares commence	9:00 a.m. Monday, 2 November 2020

Note: All references to time in the above timetable are references to Hong Kong time.

For Shareholders interested in Shares quoted on the SGX-ST

Expected date of despatch of the Circular in relation to,
inter alia, the Capital Reorganisation,
the Change in Board Lot Size and
the Open Offer to the Shareholders Thursday, 27 August 2020

Latest time for lodging proxy forms for the SGM 10:00 a.m. Saturday, 12 September 2020

Expected date of the SGM 10:00 a.m. Monday, 14 September 2020

Announcement of the results of the SGM Monday, 14 September 2020

Effective date of the Capital Reorganisation Wednesday, 16 September 2020

Last day of dealings in the Shares
on a cum-entitlement basis Thursday, 17 September 2020

Commencement of dealings in the Shares
on an ex-entitlement basis 9:00 a.m. Friday, 18 September 2020

Record Date for the Open Offer Monday, 21 September 2020

Despatch of AREs Tuesday, 29 September 2020

Latest time for application and payment for,
the Offer Shares and excess Offer Shares 4:00 p.m. Friday, 16 October 2020

Announcement of results of the Open Offer Thursday, 29 October 2020

Refund cheques for wholly and partially unsuccessful
applications for excess Offer Shares expected to be
posted on or after Monday, 2 November 2020

New shares to be credited into securities accounts of
successful applicants on or after Monday, 2 November 2020

Dealings in Offer Shares commence 9:00 a.m. Monday, 2 November 2020

Note: All references to time in the above timetable are references to Singapore time.

Dates or deadlines specified in this announcement for events in the timetable for (or otherwise in relation to) the Open Offer is indicative only and may be extended or varied by agreement between the Company and the Underwriter, and subject to the approval by the Hong Kong Stock Exchange and the SGX-ST of such amendments. Any consequential changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

Effect of bad weather on the latest time of application of and payment for the Open Offer and excess Offer Shares

If there is:

- a tropical cyclone warning signal number 8 or above; or
- a “black” rainstorm warning
 - (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Friday, 16 October 2020, the latest time for application of and payment for the Offer Shares will not take place at 4:00 p.m. on Friday, 16 October 2020, but will be extended to 5:00 p.m. on the same day instead; and
 - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Friday, 16 October 2020, the latest time for application of and payment for the Offer Shares will not take place on Friday, 16 October 2020, but will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for application of and payment for the Offer Shares does not take place on Friday, 16 October 2020, the dates mentioned above in this announcement may be affected. An announcement will be made by the Company in such event as is necessary.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 548,851,784 Shares in issue. On the assumption that there is no change in the shareholding structure of the Company from the date of this announcement to completion of the Open Offer other than the allotment and issue of Offer Shares pursuant to the Open Offer, the table below summarises, for illustrative purposes only, the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon completion of the Open Offer assuming full subscription of the Offer Shares by all Qualifying Shareholders; and (iii) immediately upon completion of the Open Offer assuming subscription by the Underwriter of all the underwritten Offer Shares (i.e. nil subscription of the Offer Shares by the Qualifying Shareholders other than subscription made under the Irrevocable Undertaking):

	As at the date of this announcement		Immediately after the completion of the Open Offer (assuming all Offer Shares are subscribed by the Qualifying Shareholders)		Immediately after the completion of the Open Offer (assuming no Offer Share is subscribed by the Qualifying Shareholders save for those subscribed under the Irrevocable Undertaking and the Underwriting Agreement)	
	<i>Approximate</i>		<i>Approximate</i>		<i>Approximate</i>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Success United	157,995,066	28.79	315,990,132	28.79	315,990,132	28.790
Underwriter (including subscribers procured by it)	-	-	-	-	390,856,718	35.605
Public Shareholders	390,856,718	71.21	781,713,436	71.21	(Note) 390,856,718	35.605
Total	548,851,784	100.00	1,097,703,568	100.00	1,097,703,568	100.000

Note: Pursuant to the Underwriting Agreement, in the event that the Underwriter is required to take up any underwritten Offer Shares pursuant to its underwriting obligations:–

- (i) the Underwriter shall ensure (a) that the subscribers for any underwritten Shares (collectively the “Relevant Subscribers”) are independent of and not connected with the Company and its connected persons (as defined under the Listing Rules), or acting in concert with the Directors, chief executive or Substantial Shareholders of the Company or any of its subsidiaries or any of their respective associates and (b) that no such Relevant Subscriber shall be procured if allotment and issue of any Offer Shares to it would result in it and persons acting in concert with it, when aggregated with the total number of Shares (if any) already held by them, holding 30% or more of the enlarged issued share capital of the Company immediately after completion of the Open Offer;
- (ii) the Underwriter will not, and shall procure each of the sub-underwriter(s) (if any), subscribers and their respective associates shall not, together with any party acting in concert with it or its associates, hold 10% or more of the voting rights of the Company immediately upon completion of the Open Offer;
- (iii) the Underwriter undertakes that in the event that the Underwriter or sub-underwriter(s) (if any) is required to take up the Offer Shares pursuant to their underwriting/sub-underwriting obligations, (a) the Underwriter will not and shall procure that each sub-underwriter will not, whether by itself or together with the parties acting in concert with it (if any), own 30% or more of the enlarged issued share capital of the Company immediately after the Open Offer; and (b) the Underwriter shall and shall cause the sub-underwriters to procure independent placees to take up such number of Offer Shares as necessary to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with; and
- (iv) the Underwriter will not (whether directly or indirectly) make any offer to any person in Singapore, nor invite or solicit any person in Singapore to make any offer in respect of any of the underwritten Shares.

Shareholders and potential investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Open Offer are subject to various factors, including the results of subscription of the Open Offer.

LISTING RULES IMPLICATIONS

The Capital Reorganisation is subject to the approval by Special Resolution of the Shareholders on a vote to be taken by way of poll at the SGM.

In accordance with Rule 7.24A(1) of the Listing Rules, the Open Offer must be made conditional on, amongst other things, the approval by the Independent Shareholders at which any controlling shareholders and their respective associates or, where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the Open Offer.

As at the date of this announcement, the Company has no controlling Shareholder and none of its Directors or chief executive is interested in any Shares. Accordingly, no Shareholder is required to abstain from voting in favour of the Open Offer at the SGM.

The Company had not conducted any other fund raising activities in the past 12 months immediately preceding the date of this announcement.

GENERAL

The Independent Board Committee comprising all the Independent Non-executive Directors has been established to advise the Independent Shareholders (i) as to whether the terms of the Open Offer are fair and reasonable and in the interest of the Shareholders as a whole; and (ii) as to how to vote at the SGM, taking into account the recommendations of the Independent Financial Adviser. Donvex Capital Limited has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders in respect of the Open Offer.

A circular containing, among other things, (i) further details of the Capital Reorganisation and the Open Offer; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Open Offer; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Open Offer; and (iv) a notice convening the SGM, is expected to be despatched to Shareholders on or before 27 August 2020.

Subject to fulfilment of the conditions of the Open Offer including the approval of the Independent Shareholders at the SGM and upon the Capital Reorganisation becoming effective, the Company will despatch the Prospectus Documents or as applicable, ARE, containing (among other things) details of the Open Offer to the Qualifying Shareholders as soon as practicable whereas the Prospectus will be despatched to the Excluded Overseas Shareholders for information only.

The Open Offer is fully underwritten by the Underwriter and is subject to the fulfilment of the conditions set out above under the paragraph headed “Conditions of the Open Offer”. In particular, the Open Offer is subject to the Capital Reorganisation becoming effective and the Underwriter not terminating the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Open Offer may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares from the date of this announcement up to the date when the conditions of the Open Offer are fulfilled and/or the Latest Time for Termination will bear the risk that the Open Offer does not become unconditional and may not proceed. The Shares quoted on the Hong Kong Stock Exchange are expected to be dealt in on an ex-entitlement basis from 9:00 a.m. on Thursday, 17 September 2020 whereas the Shares quoted on the SGX-ST are expected to be dealt in on an ex-entitlement basis from 9:00 a.m. on Friday, 18 September 2020. Shareholders and potential investors are advised to exercise caution when dealing in the Shares. If in any doubt, investors should consider obtaining professional advice.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Application Form(s)”	the form(s) of application in respect of the Offer Shares to be issued to the Qualifying Shareholders
“ARE”	Application form for Offer Shares and excess Offer Shares to be issued to the Entitled Depositors in respect of their assured allotment and application of Offer Shares
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Bermuda Companies Act”	The Companies Act 1981 of Bermuda, as amended, modified or supplemented from time to time
“Board”	Board of Directors of the Company
“Business Day(s)”	a day (other than a Saturday or a Sunday) on which banks are generally open for business in Hong Kong
“Bye-Laws”	the bye-laws of the Company from time to time as amended, supplemented or modified for the time being
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited

“Capital Reduction”	the proposal for the reduction of the par value of the issued Shares from US\$0.06 to US\$0.001 each by cancelling US\$0.059 of the paid-up capital on each issued Share
“Capital Reorganisation”	the proposed reorganisation of the capital of the Company by way of (i) the Capital Reduction; (ii) the Share Premium Account Reduction; and (iii) the Share Subdivision
“Capital Reorganisation Effective Date”	the second business day following the date on which the Capital Reorganisation is approved by the Shareholders at the SGM, or such other date as the Directors may determine
“CDP”	The Central Depository (Pte) Limited
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Hong Kong Stock Exchange from 1,000 Shares to 20,000 Shares
“Company”	Courage Investment Group Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are primarily listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1145) and secondarily listed on Singapore Exchange Securities Trading Limited (stock code: CIN)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Depositors”	the persons with Shares entered against their names on the register of depositors maintained by CDP, including an account holder or a depository agent but not including a sub-account holder
“Director(s)”	director(s) of the Company
“dwt”	dead weight tonnage
“Entitled Depositors”	Depositors with Shares standing to the credit of their securities accounts with CDP and whose registered addresses with CDP are in Singapore as at the Record Date or who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date

“Excess Application Form(s) or “EAF(s)”	the form of application for use by the Qualifying Shareholders who wish to apply for excess Offer Shares
“Excluded Overseas Shareholders”	the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong and Singapore where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Shareholders
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	the independent board committee of the Company comprising all Independent Non-executive Directors, namely Mr. Zhou Qijin, Mr. Pau Shiu Ming and Mr. Tsao Hoi Ho, to advise the Independent Shareholders in respect of the Open Offer
“Independent Financial Adviser”	Donvex Capital Limited, a corporation licensed to conduct type 6 regulated activities as defined under the SFO, the independent financial adviser appointed to make recommendation to the Independent Board Committee and the Independent Shareholders on the terms of the Open Offer
“Independent Shareholders”	Shareholder(s) who are not required to abstain from voting on the ordinary resolution approving the Open Offer at the SGM under the Listing Rules
“Irrevocable Undertaking”	the irrevocable undertaking dated 24 July 2020 referred to in the section headed “The Irrevocable Undertaking” in this announcement executed by Success United
“Last Trading Day”	24 July 2020, being the last trading day before the release of this announcement

“Latest Time for Termination”	being the fifth business day after the latest time for subscription of, and payment for, the offer of Offer Shares as described in the Prospectus, currently being 4:00 p.m. on Friday, 23 October 2020
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Market Day”	a day on which the SGX-ST is open for trading in securities
“Offer Share(s)”	548,851,784 new Shares proposed to be allotted and issued by the Company to the Qualifying Shareholders for subscription pursuant to the Open Offer, assuming no issue of new Shares on or after the Record Date
“Open Offer”	the proposed issue by the Company of the Offer Shares by way of open offer to the Qualifying Shareholders on the basis of an allotment of one (1) Offer Share for every one (1) existing Share held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) on the register of members of the Company on the Record Date are outside Hong Kong and Singapore and Depositors whose registered addresses with CDP are outside Singapore
“Posting Date”	Tuesday, 29 September 2020 or such other day as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents or as applicable, ARE, to the Qualifying Shareholders or the Prospectus to the Excluded Overseas Shareholders for information only
“Prospectus”	the prospectus in respect of the Open Offer to be despatched to Shareholders on the Posting Date in connection with the Open Offer
“Prospectus Documents”	the Prospectus, the Application Forms and the EAFs
“Qualifying Shareholder(s)”	Shareholder(s) other than the Excluded Overseas Shareholders
“Record Date”	the date on which entitlements to the Open Offer will be determined, currently being Monday, 21 September 2020
“S\$”	Singapore dollars, the lawful currency of Singapore

“Securities Account”	a securities account maintained by a Depositor with CDP but not including a securities sub-account maintained with a depository agent
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong)
“SGM”	the special general meeting of the Shareholders to be convened by the Company to consider and approve, among other things, the Capital Reorganisation and the Open Offer
“Share Subdivision”	the proposal for the sub-division of each unissued Share of US\$0.06 in the authorised share capital of the Company into 60 Shares of US\$0.001 each immediately following the Capital Reduction
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary shares in the issued share capital of the Company having a par value of US\$0.06 each as of the date of this announcement prior to the Capital Reorganisation Effective Date, or ordinary shares with a par value of US\$0.001 each in the capital of the Company on and after the Capital Reorganisation Effective Date, as the case may be
“Share Premium Account Reduction”	the proposed reduction of the entire amount standing to the credit of the share premium account of the Company
“Shareholder(s)”	holder(s) of the Shares
“Special Resolution”	a resolution passed by Shareholders holding three-fourths of the voting rights of those present and voting in person or by proxy at a meeting of Shareholders
“sub-account holder”	a holder of an account maintained with a depository agent
“Subscription Price”	the subscription price for the Offer Shares, being HK\$0.13 per Offer Share
“Substantial Shareholder(s)”	has the meaning as ascribed to it under the Listing Rules
“Success United”	Success United Development Limited, a company incorporated in the British Virgin Island, and a Shareholder holding approximately 28.79% of all the issued Shares as at the date of this announcement

“Underwriter”	Get Nice Securities Limited, a licensed corporation to carry out types 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 24 July 2020 entered into between the Company and the Underwriter in relation to the Open Offer
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

For illustration purpose, the exchange rate of approximately US\$1 = HK\$7.80 and S\$1 = HK\$5.60 is used throughout this announcement. The aforesaid exchange rates do not constitute a representation that any amounts have been, could have been, or may be exchanged at this or any other rate at all.

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

Hong Kong, 24 July 2020

As at the date of this announcement, the Board comprises one Non-executive Director, namely Mr. Sue Ka Lok (Chairman); one Executive Director, namely Ms. Wang Yu; and three Independent Non-executive Directors, namely Mr. Zhou Qijin, Mr. Pau Shiu Ming and Mr. Tsao Hoi Ho.