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COURAGE MARINE GROUP LIMITED
勇利航業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: E91.SI)

PROPOSED SHARE CONSOLIDATION
AND
PROPOSED CHANGE IN BOARD LOT SIZE

PROPOSED SHARE CONSOLIDATION

The Company proposes to implement the Proposed Share Consolidation by consolidating every ten (10) issued and unissued Shares of par value US\$0.018 each in the authorized share capital and issued share capital of the Company into one (1) Consolidated Share of US\$0.18 each.

PROPOSED CHANGE IN BOARD LOT SIZE FOR SHARES TRADED ON THE SEHK

The existing Shares of US\$0.018 each in the share capital of the Company are trading in board lot size of 4,000 Shares. The Company also proposes to change the board lot size for Shares quoted and traded on the SEHK from 4,000 Existing Shares to 1,000 Consolidated Shares upon the Proposed Share Consolidation becoming effective.

GENERAL

The SGM will be convened and held to consider, and if thought fit, to approve, among other things, the Proposed Share Consolidation. No Shareholder is required to abstain from voting at the SGM.

A circular containing, among other things, details of (i) the Proposed Share Consolidation and Proposed Change in Board Lot Size; and (ii) a notice convening the SGM will be despatched to Shareholders on or before Wednesday, 25 March 2015.

* *for identification purposes only*

PROPOSED SHARE CONSOLIDATION

The Company proposes to implement the Proposed Share Consolidation consolidating every ten (10) issued and unissued Shares of par value US\$0.018 each in the authorized share capital and issued share capital of the Company into one (1) Consolidated Share of US\$0.18 each.

Effect of the Share Consolidation

As at the date of this announcement, the authorized share capital of the Company is US\$180,000,000 divided into 10,000,000,000 Existing Shares, of which 1,058,829,308 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Subject to Shareholders' approval being obtained for the Proposed Share Consolidation and 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 authorized share capital shall become US\$180,000,000 divided into 1,000,000,000 Consolidated Shares, of which 105,882,930 Consolidated Shares will be in issue.

Conditions of the Proposed Share Consolidation

The Proposed Share Consolidation is conditional upon:

- (a) Shareholders' approval by way of an ordinary resolution at the SGM;
- (b) the Listing Committee of the SEHK granting the listing of, and permission to deal, in the Consolidated Shares; and
- (c) compliance with the relevant procedures and requirements under the Listing Rules to effect the Proposed Share Consolidation.

Application for Listing of the Consolidated Shares on the SEHK

An application will be made by the Company to the Listing Division of the SEHK for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Proposed Share Consolidation becoming effective.

Dealings of the Consolidated Shares on the SEHK

The Consolidated Shares will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the SEHK, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the SEHK or such other date as determined by HKSCC. Settlement of

transactions between participants of the SEHK on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Other than the expenses, including professional fees and printing charges, to be incurred in relation to the Proposed Share Consolidation, the implementation will not alter the underlying assets, business operations, management or financial position of the Group or the shareholdings, rights and interests of the Shareholders.

PROPOSED CHANGE IN BOARD LOT SIZE FOR SHARES TRADED ON THE SEHK

As at the date of this announcement, the existing Shares of US\$0.018 each in the share capital of the Company are trading in board lot size of 4,000 Shares. The Company proposes to change the board lot size for Shares quoted and traded on the SEHK from 4,000 Existing Shares to 1,000 Consolidated Shares upon the Proposed Share Consolidation becoming effective.

Based on the closing price of HK\$0.29 per Existing Share (equivalent to HK\$2.90 per Consolidated Share) as at the date of this announcement and the existing board lot size of 4,000 Shares, the prevailing board lot value is HK\$11,600. Based on the aforesaid closing price and assuming the Proposed Share Consolidation and the Proposed Change in Board Lot Size have become effective, the new board lot value would be reduced to HK\$2,900.

Shareholders of the Company whose Shares 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, which will remain at 100 Shares per board lot, following the change in board lot size from 1000 Shares to 100 Shares in January 2015 for Shares quoted on the SGX-ST, both before and after the Proposed Share Consolidation.

OTHER ARRANGEMENTS

Exchange of Share Certificates

Subject to the Proposed Share Consolidation becoming effective, which is expected to be on Thursday, 7 May 2015, Shareholders may, during a period between Thursday, 7 May 2015 and Tuesday, 16 June 2015, submit the Existing Share Certificates, which are blue in color, to the registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for the New Share Certificates, which will be yellow in color.

Thereafter, the Existing Share Certificates will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be from time to time be specified by the SEHK) for each New Share Certificate to be issued or each Existing Share Certificate cancelled, whichever the number of certificates issued or cancelled is higher.

The Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Thursday, 11 June 2015 and thereafter will not be accepted for delivery, trading and settlement purposes.

Nevertheless, the Existing Share Certificates will continue to be good evidence of legal title and may be exchanged for the New Share Certificates at any time but will not be accepted for trading, settlement and registration upon completion of the Proposed Share Consolidation.

Fractional entitlement to Consolidated Shares

Fractional entitlement will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company or purchased by the Company, at the discretion of the Board.

Arrangement of odd lot trading

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Proposed Share Consolidation and the Proposed Change in Board Lot Size, the Company will procure an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders with the foregoing.

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND THE PROPOSED CHANGE IN BOARD LOT SIZE

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.

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.

In respect of the Proposed Change in Board Lot Size, the Board is of the view that it will result in the Consolidated Shares being trading in a more reasonable board lot size and value, thus improve the trading liquidity of the Company's securities, while maintaining the board lot value greater than HK\$2,000 in accordance with the guideline of the SEHK.

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

GENERAL

The SGM will be convened and held to consider, and if thought fit, to approve, among other things, the Proposed Share Consolidation. No Shareholder is required to abstain from voting at the SGM.

A circular containing, among other things, details of (i) the Proposed Share Consolidation and Proposed Change in Board Lot Size; and (ii) a notice convening the SGM will be despatched to Shareholders on or before Wednesday, 25 March 2015.

EXPECTED TIMETABLE

The expected time table for the implementation for the Proposed Share Consolidation and the Proposed Change in Board Lot Size for Shares traded on the SEHK is set out as follows:

Event	2015 <i>(Hong Kong time)</i>
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Despatch of the circular regarding, among other matters, the Proposed Share Consolidation and notice of SGM	Wednesday, 25 March
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Latest time for lodging the form of proxy for the SGM	11:00 a.m. on Monday, 27 April
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SGM	11:00 a.m. on Wednesday, 29 April
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Publication of poll results of the SGM	Wednesday, 29 April
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THE FOLLOWING EVENTS ARE CONDITIONAL ON THE FULFILLMENT OF THE CONDITIONS FOR THE IMPLEMENTATION OF THE PROPOSED SHARE CONSOLIDATION.

Dealing in the Consolidated Shares on the SEHK commences	9:00 a.m. on Thursday, 7 May
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Original counter for trading in Existing Shares
on the SEHK in board lots of 4,000 Existing
Shares (in the form of Existing Share Certificates)
temporarily closes 9:00 a.m. on Thursday, 7 May

Temporary counter for trading in board lots of
400 Consolidated Shares on the SEHK
(in form of Existing Share Certificates) opens 9:00 a.m. on Thursday, 7 May

Free exchange of Existing Share Certificates for the
New Share Certificates for the Consolidated Shares
traded on the SEHK commences Thursday, 7 May

Original counter for trading in Consolidated
Shares in new board lots of 1,000 Consolidated Shares
on the SEHK (in the form of New
Share Certificates) re-opens 9:00 a.m. on Thursday, 21 May

Parallel trading in Consolidated Shares on the SEHK
(in form of Existing Share Certificates and
New Shares Certificates) commences 9:00 a.m. on Thursday, 21 May

Designated broker starts to stand in the market
for providing the matching services for the odd lots
of the Consolidated Shares traded on the SEHK 9:00 a.m. on Thursday, 21 May

Temporary counter for trading in board lots of
400 Consolidated Shares on the SEHK
(in form of Existing Share Certificates) closes 4:00 p.m. on Thursday, 11 June

Parallel trading in Consolidated Shares on the SEHK
(in form of Existing Share Certificates and
New Share Certificates) ends 4:00 p.m. on Thursday, 11 June

Designated broker ceases to stand in the market
for providing the matching services for the odd lots
of the Consolidated Shares traded on the SEHK 4:00 p.m. on Thursday, 11 June

Last day for free exchange of Existing Share Certificates
for the Shares for New Share Certificates
for the Consolidated Shares traded on the SEHK Tuesday, 16 June

Shareholders are to note that the above expected timetable is indicative only and may be subject to changes. Further announcement will be made by the Company for changes, if any, in the expected timetable for implementation of the Proposed Share Consolidation, the Proposed Change in Board Lot Size and the associated trading arrangements for Shares traded on the SEHK as mentioned in this announcement.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Suntec Singapore International Convention & Exhibition Centre, Meeting Room 308, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 29 April 2015 at 10:00 a.m.
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Courage Marine Group Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the SGX-ST and the Main Board of the SEHK
“Consolidated Share(s)”	Issued and unissued Shares in the capital of the Company with a par value of US\$0.18 each after completion of the Proposed Share Consolidation and “Consolidated Share” shall be construed accordingly
“Director(s)”	the director(s) of the Company
“Existing Shares”	Issued and unissued Shares in the capital of the Company with a par value of US\$0.018 each prior to the Share Consolidation (including treasury shares)
“Existing Share Certificate(s)”	existing form of certificate(s) of the Existing Shares
“Group”	the Company and its subsidiaries
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“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

“Listing Committee”	the listing committee of the SEHK
“Listing Rules”	the Rules Governing the Listing of Securities on the SEHK
“New Share Certificate(s)”	form of certificate(s) of the Consolidated Shares
“Proposed Change in Board Lot Size”	the proposed change in board lot size for trading from 4,000 Existing Shares to 1,000 Consolidated Shares
“Proposed Share Consolidation”	the proposed consolidation of every ten (10) Existing Shares in the capital of the Company into one (1) Consolidated Share, fractional entitlements to be disregarded
“SEHK”	The Stock Exchange of Hong Kong Limited
“SGM”	the special general meeting of the Company to be held at Suntec Singapore International Convention & Exhibition Centre, Meeting Room 308, Level 3, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 29 April 2015 at 11:00 a.m. (or immediately after the conclusion of the AGM)
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“S\$”	Singapore dollars, the lawful currency of Singapore
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent

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

Hong Kong, 9 March 2015

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 executive Director is Mr. Wu Jian, the non-executive Director is Mr. Tsoi Wai Kwong and the independent non-executive Directors are Mr. Chu Wen Yuan, Mr. Foo Meng Kee and Mr. Ngiam Zee Moey.