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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: ATL.SI)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 17 November 2015 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent whereby the Company conditionally agreed to place, through the Placing Agent, on a best effort basis, up to 21,176,000 new Shares to not less than six independent Places at the Placing Price of HK\$4.00 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date, the Placing Shares represent approximately 20% of the Company's existing issued share capital and approximately 16.67% of the Company's issued share capital as enlarged by the allotment and issue of the Placing Shares.

The Placing Shares will be allotted and issued under the General Mandate.

The Placing is conditional upon, among others, the Listing Committee of the Hong Kong Stock Exchange and the listing committee of the SGX-ST (where applicable) granting the listing of, and permission to deal in, the Placing Shares.

* for identification purpose only

The gross proceeds from the Placing will be HK\$84,704,000. The Company intends to use the entire net proceeds of approximately HK\$82,200,000 from the Placing as general working capital of the Group and/or funding of attractive business/investment opportunities if so arise.

As completion of the Placing is subject to the satisfaction of a number of conditions under the Placing Agreement and the Placing is on a best effort basis, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that on 17 November 2015 (after trading hours), the Placing Agreement has been entered into between the Company and the Placing Agent. Summarised below are the principal terms of the Placing Agreement.

THE PLACING AGREEMENT

Date

17 November 2015 (after trading hours)

Parties

The Company and the Placing Agent

Placing Agent

Get Nice Securities Limited, the Placing Agent, has conditionally agreed to place up to 21,176,000 Placing Shares on a best effort basis and in consideration thereof, it will receive a placing commission of 2.5% on the gross proceeds of the Placing upon completion of the Placing. The Directors are of the view that the placing commission accords with the market rate and is fair and reasonable.

To the best of the Directors' knowledge and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are third parties independent of, not acting in concert (as defined in the Takeovers Code) with and not connected with the Company and its connected persons.

Placees

The Placing Agent will place the Placing Shares to not less than six independent Placees, being professional, institutional or other investors, who and whose ultimate beneficial owners are third parties independent of, not acting in concert (as defined in the Takeovers Code) with and not

connected with the Company and its connected persons. It is expected that none of the Placers will become substantial Shareholder (as defined in the Listing Rules) immediately after completion of the Placing.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date (save for the allotment and issue of the Placing Shares), the 21,176,000 Placing Shares represent approximately 20% of the Company's existing issued share capital and approximately 16.67% of the Company's issued share capital as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares under the Placing will be US\$3,811,680 (equivalent to HK\$29,731,104, based on an exchange rate of HK\$7.8: US\$1.00 as at 17 November 2015).

Placing Price

The Placing Price of HK\$4.00 per Placing Share represents:

- (i) a discount of approximately 17.53% to the closing price of HK\$4.85 per Share as quoted on the Hong Kong Stock Exchange on 17 November 2015, being the date of the Placing Agreement;
- (ii) a discount of approximately 19.68% to the average closing price of approximately HK\$4.98 per Share as quoted on the Hong Kong Stock Exchange for the five consecutive trading days immediately prior to 17 November 2015;
- (iii) a discount of approximately 19.03% to the average closing price of approximately HK\$4.94 per Share as quoted on the Hong Kong Stock Exchange for the ten consecutive trading days immediately prior to 17 November 2015; and
- (iv) a discount of approximately 6.10% to the volume weighted average market price of approximately S\$0.7825 (equivalent to approximately HK\$4.26 based on an exchange rate of HK\$5.4434: S\$1.00 as at 17 November 2015) per Share for trades done on the SGX-ST on 13 November 2015 which was the full market day before the Placing Agreement was signed.

The Placing Price, which was agreed after arm's length negotiation between the Company and the Placing Agent, was determined with reference to the prevailing market price of the Shares. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

General Mandate

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 29 April 2015 pursuant to which the Directors are authorised to allot and issue up to 21,176,585 new Shares (after taking into consideration the share consolidation exercise that was approved at the special general meeting held on 29 April 2015 immediately after the aforesaid general meeting) from 29 April 2015 to the conclusion of the first annual general meeting of the Company following the passing of the ordinary resolution in respect of the grant of the General Mandate. The Placing will utilize approximately 99.99% of the General Mandate.

As at the date of this announcement, no new Shares have been issued and allotted under the General Mandate. Accordingly, the issue of the Placing Shares is not subject to the approval of the Shareholders.

Conditions of the Placing

Completion of the Placing is conditional upon the fulfillment of the following:

- (i) the listing of and permission to deal in the Placing Shares being granted by the Listing Committee of the Hong Kong Stock Exchange and the listing committee of the SGX-ST (where applicable) (and such permission and listing not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Placing Shares); and
- (ii) the transactions contemplated by the Placing Agreement not being prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority) in Hong Kong, Singapore or other jurisdiction which is applicable to the Company, the Placing Agent and/or any of the Placees.

If any of the conditions is not fulfilled on or prior to the Long Stop Date, the Placing Agreement will lapse and none of the parties thereto shall have any claim against another for costs, damages, compensation or otherwise save in respect of any antecedent breaches of the Placing Agreement.

Application for listing

Application will be made by the Company to the Listing Committee of the Hong Kong Stock Exchange and the listing committee of the SGX-ST (where applicable) respectively for the grant of the listing of, and permission to deal in, the Placing Shares, on the Hong Kong Stock Exchange and SGX-ST.

Termination of the Placing

The Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing to the Company at any time prior to the Completion Date upon the occurrence of any of the following events which, in the absolute opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions, affairs or prospects of the Company or the Group taken as a whole or the success of the Placing or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement:

- (A) there develops, occurs or comes into force:
 - (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a material change in, or which may result in a material change in, political, economic, fiscal, financial, regulatory or stock market conditions; or
 - (ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Hong Kong Stock Exchange and/or the SGX-ST occurring due to exceptional financial circumstances or otherwise; or
 - (iii) any material change in conditions of local, national or international securities markets occurs; or
 - (iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong, Singapore or any other jurisdiction relevant to the Group; or
 - (v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong, Singapore or elsewhere; or
 - (vi) any litigation or claim being instigated against the Company or any member of the Group; or
- (B) any material breach of any of the representations, warranties and undertakings by the Company set out in the Placing Agreement which, if remediable, is not duly rectified by the Company within seven (7) Business Days of written notice being given to the Company of such breach by the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties

untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement, which in each case, if remediable, is not duly rectified by the Company within seven (7) Business Days of written notice being given to the Company of such breach by the Placing Agent; or

- (C) there is any adverse change in the financial position of the Company which is material in the context of the Placing;

then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company provided that such notice is received prior to the Completion Date.

Upon the giving of the above mentioned notice by the Placing Agent to the Company, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement; and outstanding liabilities under the terms of the Placing Agreement.

Completion of the Placing

Completion of the Placing shall take place on the Completion Date.

As completion of the Placing is subject to the satisfaction of a number of conditions under the Placing Agreement and the Placing is on a best effort basis, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

REASONS FOR THE PLACING AND USE OF PROCEEDS

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

The gross proceeds from the Placing will be HK\$84,704,000. The Company intends to use the entire net proceeds of approximately HK\$82,200,000 from the Placing as general working capital of the Group and/or funding of attractive business/investment opportunities if so arise. The net proceeds raised per Placing Share will be approximately HK\$3.88.

The Board is of the view that the Placing will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Placing will strengthen the Group's financial position for future development of the Group. Accordingly, the Board considers that the Placing is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES DURING THE PAST 12 MONTHS

The Company has not conducted any other equity fund raising exercises in the past twelve months immediately before the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE

The shareholding structures of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing (assuming there is no change in the share capital of the Company between the date of this announcement and the Completion Date) are set out below for illustration purpose:

| Name of Shareholders | As at the date of this announcement | | Immediately after completion of the Placing | |
|--|-------------------------------------|---------------|---|---------------|
| | Number of Shares | Approximate % | Number of Shares | Approximate % |
| Substantial Shareholder: | | | | |
| Success United Development Limited (<i>Note</i>) | 29,090,022 | 27.47 | 29,090,022 | 22.89 |
| Public Shareholders: | | | | |
| Placees | – | – | 21,176,000 | 16.67 |
| Others | <u>76,792,906</u> | <u>72.53</u> | <u>76,792,906</u> | <u>60.44</u> |
| Total | <u>105,882,928</u> | <u>100.00</u> | <u>127,058,928</u> | <u>100.00</u> |

Note: Success United Development Limited is wholly owned by Brilliant Epic Asia Limited which is in turn wholly owned by Mr. Suen Cho Hung, Paul.

DEFINITIONS

In this announcement, the following terms shall have the meanings ascribed to them below unless the context otherwise requires:

“Board” the Board of Directors

“Business Day” any day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in Hong Kong and Singapore

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| “Company” | Courage Marine Group Limited (Hong Kong Stock Code: 1145) (Singapore Stock Code: ATL.SI), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange and on the SGX-ST |
| “Completion Date” | means a day as soon as possible following the satisfaction of all the conditions of the Placing and in any event not later than five (5) Business Days after the satisfaction of the conditions of the Placing (or such other date as the Company and the Placing Agent may agree in writing) and on which completion of the Placing will take place |
| “connected person(s)” | has the meaning ascribed thereto in the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “General Mandate” | the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 29 April 2015 to allot, issue and deal with up to 20% of the then issued share capital of the Company |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Listing Committee” | has the meaning ascribed to it under the Listing Rules |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange |
| “Long Stop Date” | 8 December 2015 or such later date as the Company and the Placing Agent may agree |
| “Placee(s)” | any professional, institutional or other investor procured by the Placing Agent or its agent(s) to subscribe for any of the Placing Shares pursuant to the Placing Agreement |
| “Placing” | placing of up to 21,176,000 new Shares by the Placing Agent on a best effort basis pursuant to the terms of the Placing Agreement |

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| “Placing Agent” | Get Nice Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities), type 4 regulated activity (advising on securities), type 6 regulated activity (advising on corporate finance) and type 9 regulated activity (asset management) under the SFO |
| “Placing Agreement” | a conditional placing agreement dated 17 November 2015 entered into between the Company and the Placing Agent in relation to the Placing |
| “Placing Price” | HK\$4.00 per Placing Share |
| “Placing Shares” | up to 21,176,000 new Shares to be placed under the Placing and “Placing Share” means any one of them |
| “PRC” | the People’s Republic of China |
| “SGX-ST” | Singapore Exchange Securities Trading Limited |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) at par value of US\$0.18 each in the issued share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Takeovers Code” | the Code on Takeovers and Mergers in Hong Kong |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “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
Sue Ka Lok
Chairman

Hong Kong, 17 November 2015

As at the date of this announcement, the Board comprises Mr. Sue Ka Lok (Chairman), Mr. Lai Ming Wai (Chief Executive Officer), Mr. Wu Jian and Ms. Chan Yuk Yee as Executive Directors; Mr. Tsoi Wai Kwong as Non-executive Director and Mr. Foo Meng Kee, Mr. Ngiam Zee Moey, Mr. Zhou Qijin and Mr. To Yan Ming, Edmond as Independent Non-executive Directors.