

The Singapore Exchange Securities Trading Limited, the Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 CHANGE OF AUDITORS

The Board proposes to terminate Deloitte Singapore as the auditors of the Company and the Group with effect from the conclusion of the SGM and to appoint Deloitte Hong Kong as the new auditors of the Company and the Group to hold the office effective upon the conclusion of the SGM until the conclusion of the next annual general meeting of the Company, subject to the obtaining of a waiver from the SGX-ST of the requirement for the Company to comply with Rule 712(2) and 715(1) of the SGX-ST Listing Manual in relation to the Proposed Change of Auditors and the approval of the Shareholders at the SGM.

The board of directors (“**Board**”) of Courage Marine Group Limited (“**Company**”, together with its subsidiaries, “**Group**”) proposes to terminate Deloitte & Touche LLP (“**Deloitte Singapore**”) as the auditors of the Company and the Group with effect from the conclusion of the forthcoming special general meeting of the Company to be held on a date to be further announced by the Company (“**SGM**”) and to appoint Deloitte Touche Tohmatsu (“**Deloitte Hong Kong**”) as the new auditors of the Company (the “**Proposed Change of Auditors**”) and the Group to hold the office effective upon the conclusion of the SGM until the conclusion of the next annual general meeting of the Company, subject to the obtaining of a waiver from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) of the requirement for the Company to comply with Rule 712(2) and 715(1) of the SGX-ST listing manual (the “**SGX-ST Listing Manual**”) in relation to the Proposed Change of Auditors (“**Waiver**”) and the approval of the shareholders of the Company (“**Shareholders**”) at the SGM.

Since the listing of the Company on 13 October 2005 on the Singapore Exchange Securities Trading Limited, the Company has appointed Deloitte Singapore, an accounting firm based in Singapore, as the Company’s and the Group’s auditors. During the dual listing exercise of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), the Company

obtained an approval from the Stock Exchange under Rule 19.20 of the Rules Governing the Listing of Securities on the Stock Exchange to retain Deloitte Singapore as auditors of the Company and the Group.

As the Group's principal place of business and operations are mainly based in Hong Kong and Taiwan and not in Singapore, to facilitate the audit process, Deloitte Singapore has an ongoing arrangement with Deloitte Hong Kong, an accounting firm based in Hong Kong, whereby the audit field work is undertaken by Deloitte Hong Kong with the concurrence and issue of the final independent auditors' report by Deloitte Singapore.

In proposing the appointment of Deloitte Hong Kong as the auditors of the Company and the Group in place of Deloitte Singapore, the Board has considered various factors, including the adequacy of the resources and experience of Deloitte Hong Kong and the audit engagement partner assigned to the audit, Deloitte Hong Kong's other audit engagements, the size and complexity of the Company and the Group's operations, and the number and experience of supervisory and professional staff assigned to the audit of the Company and the Group and that the fee proposal from Deloitte Hong Kong is more cost effective, and are thus proposing to seek Shareholders' approval for the ("**Proposed Change of Auditors**").

Rule 712(2) of the SGX-ST Listing Manual provides that an auditing firm appointed by an issuer must be (i) registered with the Accounting and Corporate Regulatory Authority ("ACRA"); or (ii) registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST, where such registered oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies; or (iii) any other auditing firm acceptable by the SGX-ST. Rule 715(1) of the Listing Manual provides, *inter alia*, that an issuer must engage the same auditing firm based in Singapore to audit its accounts. As Deloitte Hong Kong is an accounting firm based in Hong Kong and not based in Singapore and, as a member of Hong Kong Institute of Certified Public Accountants, is not registered with ACRA or a member of the International Forum of Independent Audit Regulators, the Company's proposed appointment of Deloitte Hong Kong as its auditors does not comply with Rule 712(2) and 715(1) of the SGX-ST Listing Manual, and the Company would need to obtain the Waiver before it can proceed with the Proposed Change of Auditors. The Company will be making the application for the Waiver to the SGX-ST and will update Shareholders on the outcome of the application in due course. Subject to the Company obtaining the Waiver, a resolution for the Proposed Change of Auditors will be proposed to the Shareholders at the SGM for considering, and if thought fit, to pass as an ordinary resolution. The Board considers that it is in the best interests of the Company and the Shareholders as a whole to appoint Deloitte Hong Kong as the new auditors of the Company and the Group after taking into account the factors outlined above.

Deloitte Singapore has confirmed to the Board that there are no circumstances in respect of the termination of Deloitte Singapore as auditors of the Company and the Group that need to be brought to the attention of the Shareholders.

The Board is not aware of any circumstances in respect of the termination of Deloitte Singapore as auditors of the Company and the Group that should be brought to the attention of the Shareholders.

The Board would like to take the opportunity to thank Deloitte Singapore for its professional services and support in the past years.

Subject to the Company obtaining the Waiver, a circular containing, *inter alia*, the information on the Proposed Change of Auditors and a notice convening the SGM will be despatched to the Shareholders in due course.

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

Singapore and Hong Kong, 20 November 2012

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 non-executive Directors are Mr. Sun Hsien-Long and Mr. Chang Shun-Chi, the independent non-executive Directors are Mr. Lui Chun Kin, Gary, Mr. Sin Boon Ann and Mr. Chu Wen Yuan.

* *for identification purposes only*