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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)**

### **OVERSEAS REGULATORY ANNOUNCEMENT 2015 FINAL RESULTS**

This overseas regulatory announcement is a reproduction of the announcement made by Courage Marine Group Limited (the “Company”) pursuant to the Listing Manual of the Singapore Exchange Securities Trading Limited. In compliance with Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (which requires a listed issuer to ensure that if securities of the listed issuer are also listed on other stock exchanges, the Stock Exchange shall be simultaneously informed of any information released to any of such other stock exchanges and that such information is released to the market in Hong Kong at the same time as it is released on other markets), please refer to the attached announcement on the next page issued on Singapore Exchange Securities Trading Limited on 26 February 2016.

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

Hong Kong, 26 February 2016

*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 and Mr. Foo Meng Kee, Mr. Ngiam Zee Moey, Mr. Zhou Qijin and Mr. To Yan Ming, Edmond as Independent Non-executive Directors.*

\* *for identification purposes only*



**COURAGE MARINE GROUP LIMITED**

(勇利航業集團有限公司)

(Incorporated in Bermuda on 5 April 2005)

(Company Registration no: 36692)

**Full Year Financial Statement And Dividend Announcement**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year

**1(a)(i) Income Statement for the Fourth Quarter and Year Ended 31 December 2015:**

	US\$'000		%	US\$'000		%
	Q4 2015	Q4 2014		Change	FY 2015	
Turnover	1,269	4,044	(69)	6,643	16,535	(60)
Cost of sales	(2,283)	(4,906)	(53)	(11,073)	(19,732)	(44)
Gross loss	(1,014)	(862)	18	(4,430)	(3,197)	39
Other income	254	135	88	464	341	36
Other gains and losses	(4,379)	(34)	12,779	(5,833)	1,437	NM
Administrative expenses	(1,748)	(1,219)	43	(3,430)	(3,212)	7
Other expenses	(185)	(320)	(42)	(1,870)	(820)	128
Impairment loss on property, plant and equipment	(11,242)	(2,900)	288	(20,651)	(2,900)	612
Finance costs	(207)	(322)	(36)	(1,091)	(1,363)	(20)
Loss before income tax	(18,521)	(5,522)	235	(36,841)	(9,714)	279
Income tax expense	(43)	(31)	39	(2)	(10)	(80)
Loss for the period attributable to owners of the Company	(18,564)	(5,553)	234	(36,843)	(9,724)	279
Other comprehensive income (expense) for the period, net of income tax <i>Items that will not be reclassified subsequently to profit or loss:</i>						
Surplus on revaluation of leasehold land and building	131	631	(79)	456	782	(42)
Deferred tax liability arising on revaluation of leasehold land and building	(22)	(104)	(79)	(65)	(121)	(46)
Other comprehensive income for the period	109	527	(79)	391	661	(41)
Total comprehensive expense for the period - attributable to owners of the Company	(18,455)	(5,026)	267	(36,452)	(9,063)	302

**1(a)(ii) Additional Information**

	US\$'000		%	US\$'000		%
	Q4 2015	Q4 2014		Change	FY 2015	
Profit before tax is arrived after (charging) / crediting:						
Other income including interest income	254	135	88	464	341	36
Interest on borrowings	(207)	(322)	(36)	(1,091)	(1,363)	(20)
Depreciation and amortisation	(361)	(588)	(39)	(1,945)	(2,289)	(15)
(Loss) gain on disposal of property, plant and equipment	(3,857)	-	NM	(5,335)	1,475	NM
(Loss) gain on held-for-trading investment	-	(9)	NM	70	(6)	NM
(Loss) on foreign exchange (net)	(553)	(26)	2,027	(568)	(47)	1,109

**NOTES**

NM denotes not meaningful.

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	Group		Company	
	US\$'000	US\$'000	US\$'000	US\$'000
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	10,407	8,883	10,708	65
Trade receivables	-	156	-	-
Other receivables and prepayments	4,142	3,160	35	28
Amounts due from a joint venture	669	553	-	-
Held-for-trading investment	-	444	-	-
Pledged/restricted bank deposits	3,697	4,361	-	-
<b>Total current assets</b>	<b>18,915</b>	<b>17,557</b>	<b>10,743</b>	<b>93</b>
<b>Non-current assets</b>				
Property, plant and equipment	32,886	68,711	-	-
Interest in a joint venture	5,330	5,330	-	-
Interests in subsidiaries	-	-	-	8,023
Amounts due from subsidiaries	-	-	18,057	31,055
Long-term receivables and deposits	1,816	5,329	-	-
Available-for-sale investment	79	79	-	-
<b>Total non-current assets</b>	<b>40,111</b>	<b>79,449</b>	<b>18,057</b>	<b>39,078</b>
<b>Total assets</b>	<b>59,026</b>	<b>97,006</b>	<b>28,800</b>	<b>39,171</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Other payables and accruals	1,633	2,193	677	860
Bank borrowings - due within one year	2,691	4,024	-	-
<b>Total current liabilities</b>	<b>4,324</b>	<b>6,217</b>	<b>677</b>	<b>860</b>
<b>Non-current liabilities</b>				
Deferred taxation	376	311	-	-
Bank borrowings - due after one year	21,799	32,156	-	-
<b>Total non-current liabilities</b>	<b>22,175</b>	<b>32,467</b>	<b>-</b>	<b>-</b>
<b>Capital and reserves</b>				
Share capital	22,871	19,059	22,871	19,059
Share premium	34,872	28,027	34,872	28,027
Revaluation reserve	2,125	1,734	-	-
Other reserve	1,531	1,531	-	-
(Accumulated losses) / retained profits	(28,872)	7,971	(29,620)	(8,775)
<b>Total equity</b>	<b>32,527</b>	<b>58,322</b>	<b>28,123</b>	<b>38,311</b>
<b>Total liabilities and equity</b>	<b>59,026</b>	<b>97,006</b>	<b>28,800</b>	<b>39,171</b>
<b>Net current assets / (liabilities)</b>	<b>14,591</b>	<b>11,340</b>	<b>10,066</b>	<b>(767)</b>
<b>Total assets less current liabilities</b>	<b>54,702</b>	<b>90,789</b>	<b>28,123</b>	<b>38,311</b>

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

**Amount repayable in one year or less, or on demand**

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
US\$2,691,000	-	US\$4,024,000	-

**Amount repayable after one year**

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
US\$21,799,000	-	US\$32,156,000	-

**Details of any collateral**

Secured borrowings are generally secured by:

1. Corporate guarantee from Courage Marine Group Limited on the outstanding loan balance
2. First preferred mortgage over the vessels held by Heroic Marine Corp. and Zorina Navigation Corp., namely "MV Heroic" and "MV Zorina", respectively, and
3. Assignment of insurance in respect of MV Heroic and MV Zorina

**1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

	<b>Group</b>	
	US\$'000	
	Q4 2015	Q4 2014
<b>Operating activities</b>		
Loss before income tax	(18,521)	(5,522)
Adjustments for		
Interest income	(2)	(17)
Interest expense	207	322
Loss on disposal of property, plant and equipment	3,857	-
Change in fair value of held-for-trading investment	-	9
Depreciation	361	588
Imputed interest income on long-term receivable	(123)	(119)
Impairment loss on deposits paid	-	222
Impairment loss on trade receivables	146	-
Impairment loss on other receivables	26	98
Impairment loss on property, plant and equipment	11,242	2,900
Property, plant and equipment written off	13	-
Operating cash flows before movements in working capital	(2,794)	(1,519)
Decrease in trade receivables	-	165
Decrease in other receivable and prepayments	769	87
Increase in other payable and accruals	859	1,078
Cash used in from operations	(1,166)	(189)
Income tax paid	-	(1)
Interest income received	2	17
Interest expense paid	(207)	(322)
<b>Net cash used in operating activities</b>	<b>(1,371)</b>	<b>(495)</b>
<b>Investing activities</b>		
Deposits for acquisition of property, plant and equipment and investment properties	(223)	1
Proceeds on disposal of property, plant and equipment	2,461	130
Proceeds from disposal of subsidiaries	29	-
Placement of pledged/restricted bank deposits	(3,697)	(7)
Advance to a joint venture	-	(141)
<b>Net cash used in investing activities</b>	<b>(1,430)</b>	<b>(17)</b>
<b>Financing activities</b>		
Repayment of loans	(673)	(988)
Decrease in bank overdraft	-	(18)
Net proceeds received from placing of new shares	10,657	-
<b>Net cash from (used in) financing activities</b>	<b>9,984</b>	<b>(1,006)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,183</b>	<b>(1,518)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>3,224</b>	<b>10,401</b>
<b>Cash and cash equivalents at end of the period</b>	<b>10,407</b>	<b>8,883</b>

	<b>Group</b>	
	US\$'000	
	FY 2015	FY 2014
<b>Operating activities</b>		
Loss before income tax	(36,841)	(9,714)
Adjustments for		
Dividend income from listed investments	(20)	(20)
Interest income	(67)	(62)
Interest expense	1,091	1,363
Loss (gain) on disposal of property, plant and equipment	5,335	(1,475)
Change in fair value of held-for-trading investment	(70)	6
Change in fair value of investment property	-	(15)
Depreciation	1,945	2,289
Discount effect on long-term loan receivable	-	246
Imputed interest income on long-term receivable	(246)	(237)
Impairment loss on deposits paid	1,685	476
Impairment loss on trade receivables	146	-
Impairment loss on other receivables	26	98
Impairment loss on property, plant and equipment	20,651	2,900
Property, plant and equipment written off	13	-
Operating cash flows before movements in working capital	(6,352)	(4,145)
Decrease in trade receivables	10	1,173
Decrease (increase) in other receivable and prepayments	1,613	(12)
Decrease in other payable and accruals	(739)	(82)
Decrease in held-for-trading investments	514	-
Cash used in operations	(4,954)	(3,066)
Income tax paid	(2)	(10)
Interest income received	67	62
Interest expense paid	(1,091)	(1,363)
Dividends received from listed investments	20	20
<b>Net cash used in operating activities</b>	<b>(5,960)</b>	<b>(4,357)</b>
<b>Investing activities</b>		
Deposits for acquisition of property, plant and equipment and investment properties	(535)	(253)
Purchase of property, plant and equipment	(76)	(8,075)
Proceeds on disposal of property, plant and equipment	8,551	8,394
Proceeds from disposal of subsidiaries	29	-
Withdrawal (placement) of pledged/restricted bank deposits	664	(31)
Advance to a joint venture	(116)	(141)
<b>Net cash from (used in) investing activities</b>	<b>8,517</b>	<b>(106)</b>
<b>Financing activities</b>		
New loans raised	-	10,000
Repayment of loans	(11,690)	(7,331)
Decrease in bank overdraft	-	(2,475)
Net proceeds received from placing of new shares	10,657	-
<b>Net cash (used in) from financing activities</b>	<b>(1,033)</b>	<b>194</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,524</b>	<b>(4,269)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>8,883</b>	<b>13,152</b>
<b>Cash and cash equivalents at end of the year</b>	<b>10,407</b>	<b>8,883</b>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Share Capital	Share Premium	Property Revaluation Reserve	Other Reserve	Retained profits (accumulated loss) attributable to the shareholders	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>The Group</b>						
<b>Balance at 1 January 2014</b>	19,059	28,027	1,073	1,531	17,695	67,385
Loss for the year	-	-	-	-	(9,724)	(9,724)
Surplus on revaluation of leasehold land and building	-	-	782	-	-	782
Deferred tax liability arising on revaluation of leasehold land and building	-	-	(121)	-	-	(121)
Total comprehensive income (expense) for the year	-	-	661	-	(9,724)	(9,063)
<b>Balance at 31 December 2014</b>	19,059	28,027	1,734	1,531	7,971	58,322
Loss for the year	-	-	-	-	(36,843)	(36,843)
Surplus on revaluation of leasehold land and building	-	-	456	-	-	456
Deferred tax liability arising on revaluation of leasehold land and building	-	-	(65)	-	-	(65)
Total comprehensive income (expense) for the year	-	-	391	-	(36,843)	(36,452)
Placing of new shares	3,812	6,845	-	-	-	10,657
<b>Balance at 31 December 2015</b>	22,871	34,872	2,125	1,531	(28,872)	32,527

	Share Capital	Share Premium	Retained profits (accumulated loss) attributable to the shareholders	Total
	US\$'000	US\$'000	US\$'000	US\$'000
<b>The Company</b>				
<b>Balance at 1 January 2014</b>	19,059	28,027	25,788	72,874
Total comprehensive expense for the year	-	-	(34,563)	(34,563)
<b>Balance at 31 December 2014</b>	19,059	28,027	(8,775)	38,311
Placing of new shares	3,812	6,845	-	10,657
Total comprehensive expense for the year	-	-	(20,845)	(20,845)
<b>Balance at 31 December 2015</b>	22,871	34,872	(29,620)	28,123

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

21,176,000 shares were allotted and issued on 8 December 2015 as a result of completion of new shares placement.

The Company does not have any outstanding convertibles as at 31 December 2015 and 31 December 2014.

**1 (d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

<b>As at 31/12/2015</b>	<b>As at 31/12/2014</b>
127,058,928	1,058,829,308

The Company completed the share consolidation on the basis that every ten issued and unissued ordinary shares of par value of US\$0.018 each to be consolidated into one ordinary share of par value of US\$0.18 each effective from 7 May 2015 (fractional entitlements being disregarded), and completed a placement of 21,176,000 ordinary shares on 8 December 2015.

**1 (d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

There were no shares being held as treasury shares by the Company as at 31 December 2015.

**2. Whether the figures have been audited, or reviewed and in accordance with which standard**

The figures for FY2015/FY2014 have been audited.

The figures for Q4 2015/Q4 2014 have not been audited or reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

The Group has adopted the same accounting policies and method of computation in the financial statements for the current period/year compared with the financial statements for the financial year ended 31 December 2014.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

Not Applicable.



**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends (a) based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustments made to the earnings)**

	<b>Group</b>			
	Q4 2015	Q4 2014	FY 2015	FY 2014
	US Cents	US Cents	US Cents	US Cents
a Based on the weighted average number of ordinary shares in issue	(17.14)	(5.24)	(34.4)	(9.18)
b On a fully diluted basis	(17.14)	(5.24)	(34.4)	(9.18)

**NOTES:**

The loss per ordinary share is calculated by dividing the consolidated loss attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period/year reported on.

The fully diluted loss per ordinary share is the same as the loss per ordinary share as there were no options granted or outstanding during the financial period/year.

Weighted average number of ordinary shares in issue and basic loss per share were stated after taking into account the effect of the share consolidation that took place on 7 May 2015 and the placing of new shares completed on 8 December 2015. Comparative figures have also been restated on the assumption that the share consolidation had been effective in prior year.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year**

	<b>Group</b>		<b>Company</b>	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	US Cents	US Cents	US Cents	US Cents
Net asset value per ordinary share	25.60	55.08	22.13	36.18

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### Turnover

##### 4Q2015

The Group's turnover decreased by 69% from approximately US\$4 million in 4Q14 to approximately US\$1.3 million in 4Q15, reflecting the low demand for the dry bulk market. The Baltic Dry Index (the "BDI") remained low and was below 1,000 level during 4Q15.

##### FY2015

The Group's turnover decreased by 60% from approximately US\$16.5 million in FY2014 to approximately US\$6.6 million in FY2015. The dry bulk market remained under intense pressure and the BDI was around 1,000 level for most of the time during FY2015.

#### Profitability

##### 4Q2015

The Group's cost of sales decreased by 53% from approximately US\$4.9 million in 4Q14 to approximately US\$2.3 million in 4Q15. It was mainly due to less variable cost consumed with less vessels being operated. The Group recorded a gross loss of approximately US\$1 million in 4Q15 compared to a gross loss of approximately US\$0.9 million in 4Q14.

Other income consists of interest income from banks and certificate of deposit, sundry income, and other one-off income. The Group recorded other income of approximately US\$0.3 million in 4Q15, an increase of approximately 88% compared to 4Q14.

Other gains and losses consist of changes in fair value of investment property, changes in fair value of held-for-trading investments, gains and losses on the disposal of fixed assets and exchange gains and losses. The Group recorded other loss of approximately US\$4.4 million in 4Q15 compared to approximately US\$34,000 in 4Q14 mainly due to the loss recognised for the disposal of MV Courage.

Administrative expenses increased by 43% from approximately US\$1.2 million in 4Q14 to approximately US\$1.7 million in 4Q15 as the Group had an one-off long service payment expense for the discontinuation of the operations of Taiwan and Shanghai offices during the quarter.

The Group had recorded other expenses of approximately US\$0.2 million in 4Q15 compared to approximately US\$0.3 million in 4Q14.

The Group conducted a review of the Group's vessels and other assets and determined that a number of those assets were impaired. The Group recorded impairment loss on property, plant and equipment for approximately US\$11.2 million in 4Q15 in respect of the vessels in light of the decrease in revenue and market value of the vessels and scrap materials. The recoverable amount of the vessels has been determined on the basis of their fair value less cost to sell. The Group recorded an impairment loss on vessels of approximately US\$2.9 million in 4Q14.

The Group recorded finance costs of approximately US\$0.2 million in 4Q15 compared to approximately US\$0.3 million in 4Q14 mainly due to less bank borrowings.

The Group's subsidiaries recorded an income tax expense of approximately US\$43,000 in 4Q15 compared to income tax expense of approximately US\$31,000 during 4Q14.

The Group recorded a gain on revaluation of owner-occupied property of approximately US\$0.1 million in 4Q15 compared to a gain of approximately US\$0.6 million in 4Q14.

The Group recorded a deferred tax charge on revaluation of leasehold land and building of approximately US\$22,000 in 4Q15 compared to a deferred charge of approximately US\$0.1 million in 4Q14.

Overall, the Group recorded a higher net loss of approximately US\$18.5 million in 4Q15 compared to a net loss of approximately US\$5.0 million in 4Q14. This was mainly due to the disposal loss of MV Courage and provision of impairment loss on vessels' value in use.

## FY2015

The Group's cost of sales decreased by 44% from approximately US\$19.7 million in FY2014 to approximately US\$11.1 million in FY2015. The Group recorded a gross loss of approximately US\$4.4 million in FY2015 compared to a gross loss of approximately US\$3.2 million in FY2014.

Other income consists of interest income from banks and certificate of deposit, sundry income and other one-off income. The Group recorded other income of approximately US\$464,000 in FY2015, an increase of 36% compared to approximately US\$341,000 in FY2014. This was largely due to an one-off sundry income received in FY2015.

Other gains and losses consist of changes in fair value of investment property, changes in fair value of held-for-trading investments, gains and losses on the disposal of fixed assets and exchange gains and losses. The Group recorded net other loss of approximately US\$5.8 million in FY2015 compared to net other gain of approximately US\$1.4 million in FY2014 which was mainly a result of the loss recognised for the disposals of MV Cape Pioneer and MV Courage during FY2015.

Administrative expenses increased by approximately 7% from approximately US\$3.2 million in FY2014 to approximately US\$3.4 million in FY2015 as the Group had an one-off long service payment expense for the discontinuation of the operations of the Taiwan and Shanghai offices.

The Group had recorded other expenses of approximately US\$1.9 million in FY2015 compared to approximately US\$0.8 million in FY2014 as the Group had recorded further impairment provision on the other deposits paid for a purchase contract of coal of approximately US\$1.7 million in FY2015.

The Group conducted a review of the Group's vessels and other assets and determined that a number of those assets were impaired. The Group recorded impairment loss on property, plant and equipment for approximately US\$20.7 million in FY2015 in respect of the vessels in light of the decrease in revenue and market value of the vessels and scrap materials. The recoverable amount of the vessels has been determined on the basis of their fair value less cost to sell. The Group recorded an impairment loss on vessels of approximately US\$2.9 million in FY2014.

The Group recorded finance costs of approximately US\$1.1 million in FY2015 compared to approximately US\$1.4 million in FY2014 mainly due to less bank borrowings.

The Group's subsidiaries recorded an income tax expense of approximately US\$2,000 during FY2015 compared to approximately US\$10,000 in FY2014.

The Group recorded a gain on revaluation of owner-occupied property of approximately US\$0.5 million in FY2015 compared to a gain of approximately US\$0.8 million in FY2014.

The Group recorded a deferred tax charge on revaluation of leasehold land and building of approximately US\$65,000 in FY2015 compared to a deferred tax charge of approximately US\$121,000 in FY2014.

Overall, the Group recorded a higher net loss of approximately US\$36.8 million in FY2015 compared to a net loss of approximately US\$9.7 million in FY2014. This was mainly due to less chartering activities coupled with lower freight rates, loss on disposals of MV Cape Pioneer and MV Courage, and impairment loss of vessels' value in use.

## Cashflow

There was a net increase in cash and cash equivalents of approximately US\$1.5 million in FY2015. Although the Group had repaid approximately US\$11.7 million of bank borrowings, the Group had received proceeds of approximately US\$8.6 million on the disposals of MV Cape Pioneer and MV Courage, and proceeds from placing of new shares in the amount of approximately US\$10.7 million. The Group had cash and bank balances of approximately US\$10.4 million as at 31 December 2015.

## Balance Sheet

The decrease of long-term receivables and deposits from approximately US\$5.3 million as at 31 December 2014 to approximately US\$1.8 million as at 31 December 2015 was mainly due to the reclassification of an interest-free loan of approximately US\$3.9 million (in relation to a property development project in Singapore) to current assets and further impairment provision of approximately US\$1.7 million recognised on the other deposit paid for a purchase contract of coal.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

Not Applicable

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The dry bulk market remained difficult during the recent months. The BDI, which has a close correlation to freight rates, reached the all time low of 200 level recently. Low demand of commodities in the Greater China Region, especially during the Chinese New Year period, and over-supply of vessels has led to more pressure on the freight rates in dry bulk market.

The updated tonnage of the Group fleet is approximately 114,000 dwt after disposing MV Cape Pioneer in June 2015 and MV Courage in December 2015. Fleet utilisation and freight rates are expected to remain low for 2016. Owing to difficult operating environment facing by the Group, the management will continue to explore various options for reducing costs and look for attractive investment / business opportunities which may arise that are expected to bring value to shareholders.

## 11. Dividend

### *(a) Whether an interim (final) ordinary dividend has been declared (recommended)*

No.

### *(b)(i) Amount per share in cents*

Not applicable.

### *(b)(ii) Previous corresponding period in cents*

Not applicable.

### *(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)*

Not applicable.

### *(d) The date the dividend is payable*

Not applicable.

### *(e) The date on which Registrable Transfers received by the company (up to 5.00pm) will be registered before entitlements to the dividend are determined*

Not applicable.

## 12. If no dividend has been declared / (recommended), a statement to that effect

No dividend was declared or recommended for the current financial period/year reported on.

## 13. Interested Person Transactions

The group has not obtained a general mandate for interested person transactions. During the period/year under review, the following interested person transactions were entered into by the Group:

Interested Person	Aggregate value of all interested person transactions conducted for FY2015 (excluding transactions less than \$100,000)
Hwalee Marine Co. Ltd (Owned and operated by Mr. Hsu Chih Chien's spouse)*	Commission expenses for vessel chartering - US\$7,000

\*Mr. Hsu Chih-Chien resigned as a director of the Company with effect from 14 October 2015.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

No business segmental information of the Group is presented as the Group's revenues, expenses, assets, liabilities and capital expenditure are primarily attributable to the provision of ship chartering services.

Due to the nature of the provision of ship chartering services, which is carried out internationally, we consider that it is not meaningful to provide the financial information by geographical segment. Accordingly, geographical segment results for the provision of ship chartering services are not presented.

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Not applicable

**16. A breakdown of sales**

	<b>2015</b>	<b>2014</b>	<b>% Change</b>
	<b>US\$'000</b>	<b>US\$'000</b>	
Turnover for the first half of	2,950	9,845	-70
(Loss) after tax for the first half of	(17,072)	(1,883)	+807
Turnover for the second half of	3,693	6,690	-45
(Loss) after tax for the second half of	(19,771)	(7,841)	+152

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Annual Dividend

	<b>Latest Year</b>	<b>Previous Year</b>
Ordinary	NIL	NIL
Preference	-	-
Total:	NIL	NIL

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).**

Pursuant to Rule 704(13) of the listing manual of the Singapore Exchange Securities Trading, the Company confirms that there is no person occupying a managerial position in the Company or in any of its subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

**19. Undertaking from Directors and Executive Officers**

In view of the latest guideline from the Exchange in relation to Rule 720(1) of the SGX-ST Listing Manual, the Company has procured signed undertakings from all its directors and executive officers based on the latest revised form of Appendix 7.7 of the SGX-ST Listing Manual.

**By Order of the Board**

**SUE KA LOK**  
**Chairman and Director**  
**26 February 2016**



**Courage Marine Group Limited 勇利航業集團有限公司**

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**COURAGE MARINE GROUP LIMITED  
(Incorporated in Bermuda)**

To: All Shareholders

The Board of Directors of Courage Marine Group Limited wishes to make the following announcement:

**Financial Results**

The audited financial results of the Group for the full year and the fourth quarter ended 31 December 2015 are enclosed.

**Confirmation by Directors**

The Board of Directors hereby confirm that, to the best of their knowledge, nothing has come to their attention which may render the audited financial results of the Group for the full year and the fourth quarter ended 31 December 2015 to be false or misleading.

**By Order of the Board  
Courage Marine Group Limited**

**Mr. Sue Ka Lok  
Chairman and Director  
26 February 2016**

**Mr. Lai Ming Wai  
Director**