



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 2012:

	US\$'000		% Change	US\$'000		% Change
	Q4 2012	Q4 2011		FY 2012	FY 2011	
Revenue	5,286	5,879	(10)	18,758	21,691	(14)
Cost of sales	(4,000)	(7,624)	(48)	(18,499)	(32,593)	(43)
Gross profit (loss)	1,286	(1,745)	NM	259	(10,902)	NM
Other income	149	33	352	354	517	(32)
Other gains and losses	1,637	(3,207)	(151)	(3,816)	(3,526)	8
Administrative expenses	(1,492)	(1,281)	16	(3,685)	(3,466)	6
Other expenses	(1,057)	(173)	511	(1,057)	(2,227)	(53)
Impairment loss on property, plant and equipment	(1,483)	(9,492)	(84)	(1,664)	(9,492)	(82)
Finance costs	(307)	(353)	(13)	(1,062)	(392)	171
Loss before income tax	(1,268)	(16,218)	(92)	(10,671)	(29,488)	(64)
Income tax expense	17	(96)	NM	(6)	(26)	(77)
Loss for the year	(1,251)	(16,314)	(92)	(10,677)	(29,514)	(64)
Other comprehensive income (expense):						
Surplus on revaluation of leasehold land and building	338	(177)	NM	528	650	(19)
Deferred tax liability arising on revaluation of leasehold land and building	(213)	-	NM	(213)	-	NM
	125	(177)	NM	315	650	(52)
Total comprehensive expense for the year - attributable to owners of the Company	(1,126)	(16,491)	(93)	(10,362)	(28,864)	(64)

1(a)(ii) Additional Information

	US\$'000		% Change	US\$'000		% Change
	Q4 2012	Q4 2011		FY 2012	FY 2011	
Profit before tax is arrived after (charging) / crediting:						
Other income including interest income	149	33	352	354	517	(32)
Interest on borrowings	(307)	(7)	4,286	(1,062)	(392)	171
Depreciation and amortisation	(397)	(1,166)	(66)	(2,248)	(7,399)	(70)
Loss on disposal of plant and equipment	1,483	(3,360)	NM	(4,172)	(3,595)	16
Gain (loss) on held-for-trading investments	(10)	239	NM	39	(308)	NM
Listing expenses	-	(173)	NM	-	(2,227)	NM
Gain (loss) on foreign exchange (net)	12	7	71	59	(11)	NM

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

	The Group		The Company	
	US\$'000	US\$'000	US\$'000	US\$'000
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
ASSETS				
Current assets				
Cash and cash equivalents	21,872	16,671	112	144
Trade receivables	891	67	-	-
Other receivables and prepayments	3,652	1,594	43	30
Amount due from a jointly controlled entity	412	-	-	-
Held-for-trading investments	391	352	-	-
Pledged bank deposits	4,298	4,267	-	-
Tax recoverable	58	58	-	-
Structured deposit	962	-	-	-
Certificate of deposit	-	1,074	-	-
Total current assets	32,536	24,083	155	174
Non-current assets				
Property, plant and equipment	62,029	60,692	-	-
Investment property	2,355	2,059	-	-
Investment in a jointly controlled entity	32	-	-	-
Interest in subsidiaries	-	-	17,961	16,224
Amounts due from subsidiaries	-	-	55,304	56,072
Long-term receivables	7,679	3,767	-	-
Deposit paid for acquisition of a vessel	-	5,320	-	-
Structured deposit	-	1,000	-	-
Total non-current assets	72,095	72,838	73,265	72,296
Total assets	104,631	96,921	73,420	72,470
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Other payables and accruals	1,775	17,889	978	525
Borrowings - due within one year	5,098	996	-	-
Total current liabilities	6,873	18,885	978	525
Non-current liabilities				
Deferred taxation	214	1	-	-
Borrowings - due more than one year	29,871	-	-	-
Total non-current liabilities	30,085	1	-	-
Capital and reserves				
Share capital	19,059	19,059	19,059	19,059
Share premium	28,027	28,027	28,027	28,027
Revaluation reserve	1,117	802	-	-
Retained profits	19,470	30,147	25,356	24,859
Total equity	67,673	78,035	72,442	71,945
Total liabilities and equity	104,631	96,921	73,420	72,470
Net current assets (liabilities)	25,663	5,198	(823)	(351)
Total assets less current liabilities	97,758	78,036	72,442	71,945

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 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
US\$5,098,000	-	US\$996,000	-

Amount repayable after one year

As at 31/12/2012		As at 31/12/2011	
Secured	Unsecured	Secured	Unsecured
US\$29,871,000	-	-	-

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 Zorina Navigation Corp. and Heroic Marine S.A., named "MV Zorina" and "MV Heroic", respectively, and
- 3 Assignment of insurance in respect of MV Zorina and MV Heroic

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

	Group	
	US\$'000	
	Q4 2012	Q4 2011
Operating activities		
(Loss) before income tax	(1,267)	(16,218)
Adjustments for		
Depreciation	397	1,166
Change in fair value of investment property	(190)	132
Change in fair value of held-for-trading investment	10	(239)
Change in fair value of structured deposit	38	-
Loss on disposal of property, plant and equipment	(1,483)	3,360
Interest income	(30)	(19)
Interest expense	307	353
Discount effect on long-term loan receivable	557	-
Imputed interest income on long-term receivable	(96)	-
Impairment loss on property, plant and equipment	1,483	9,492
Operating (loss) before movements in working capital	(274)	(1,973)
(Increase) decrease in trade receivables	(629)	1,048
Decrease in other receivable and prepayments	2,126	324
(Decrease) in amount due to an associate	(30)	-
Increase in other payable and accruals	388	512
Cash generated from (used in) operations	1,581	(89)
Interest income received	30	19
Interest expense paid	(307)	(353)
Income tax paid	17	(5)
Net cash generated from (used in) operating activities	1,321	(428)
Investing activities		
Purchase of plant and equipment	4	(10,852)
Deposit paid for acquisition of a vessel	-	(5,320)
Proceeds on disposal of plant and equipment	-	13,401
Proceeds on disposal of assets held for sale	-	783
Purchase of held-for-trading investment	-	1
Withdrawal of pledged bank deposits	-	3,440
Addition of pledged deposits	(10)	-
Loan advance for property investment	-	-
Advance to a jointly controlled entity	(357)	-
Net cash (used in) generated from investing activities	(363)	1,453
Financing activities		
Repayment of borrowings	(673)	-
(Decrease) increase in bank overdraft	(275)	996
Net cash (used in) generated from financing activities	(948)	996
Net increase in cash and cash equivalents	10	2,021
Cash and cash equivalents at beginning of the period	21,862	14,650
Cash and cash equivalents at end of the period	21,872	16,671

	Group	
	US\$'000	
	FY 2012	FY 2011
Operating activities		
(Loss) before income tax	(10,671)	(29,488)
Adjustments for		
Dividend income from listed investments	(22)	(18)
Depreciation of property, plant and equipment	2,248	7,399
Change in fair value of investment property	(296)	(388)
Change in fair value of held-for-trading investments	(39)	308
Change in fair value of structured deposit	38	-
Loss on disposal of property, plant and equipment	4,172	3,595
Interest income	(130)	(113)
Interest expense	1,062	392
Discount effect on long-term loan receivable	557	-
Imputed interest income on long-term receivable	(96)	-
Impairment loss on property, plant and equipment	1,664	9,492
Operating loss before movements in working capital	(1,513)	(8,821)
(Increase) decrease in trade receivables	(824)	1,190
(Increase) decrease in other receivables and prepayments	(2,058)	1,788
Decrease in held-for-trading investments	-	82
Decrease in other payable and accruals	(217)	(678)
Cash used in operations	(4,612)	(6,439)
Interest income received	130	113
Interest expense paid	(999)	(392)
Income tax paid	(6)	(25)
Dividends received from listed investments	22	18
Net cash (used in) operating activities	(5,465)	(6,725)
Investing activities		
Purchase of property, plant and equipment	(28,122)	(11,802)
Payment of payable for the acquisition of a vessel	(15,960)	-
Deposit paid for acquisition of a vessel	-	(5,320)
Proceeds on disposal of plant and equipment	24,549	17,304
Deposit refunded for dry-docking of vessels	-	2,000
Withdrawal of certification of deposits	1,074	-
Withdrawal of pledged bank deposits	-	3,424
Addition of pledged bank deposits	(31)	(2,017)
Loan advance and deposit paid to Santarli Corporation Pte Ltd.	(4,373)	-
Advance to a jointly controlled entity	(412)	-
Capital contribution to a jointly controlled entity	(32)	-
Net cash (used in) from investing activities	(23,307)	3,589
Financing activities		
Dividend paid	-	(7,518)
Repayment of loans	(2,018)	(3,600)
New loans raised	34,580	-
Increase in bank overdraft	1,411	996
Net cash from (used in) financing activities	33,973	(10,122)
Net increase (decrease) in cash and cash equivalents	5,201	(13,258)
Cash and cash equivalents at beginning of the year	16,671	29,929
Cash and cash equivalents at end of the year	21,872	16,671

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	Retained profits attributable to the shareholders	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
The Group					
At 1 January 2011	19,059	28,027	152	67,179	114,417
Loss for the year (restated)	-	-	-	(29,514)	(29,514)
Surplus on revaluation of leasehold land and building	-	-	650	-	650
Total comprehensive income (expense) for the year	-	-	650	(29,514)	(28,864)
Dividend	-	-	-	(7,518)	(7,518)
At 31 December 2011 (as restated)	19,059	28,027	802	30,147	78,035
Loss for the year	-	-	-	(10,677)	(10,677)
Surplus on revaluation of leasehold land and building	-	-	528	-	528
Deferred tax liability arising on revaluation of leasehold land and building	-	-	(213)	-	(213)
At 31 December 2012	19,059	28,027	1,117	19,470	67,673

	Share Capital	Share Premium	Retained profits	Total
	US\$'000	US\$'000	US\$'000	US\$'000
The Company				
At 1 January 2011	19,059	28,027	28,173	75,259
Total comprehensive income for the year	-	-	4,204	4,204
Dividend	-	-	(7,518)	(7,518)
At 31 December 2011	19,059	28,027	24,859	71,945
Total comprehensive income for the year	-	-	497	497
At 31 December 2012	19,059	28,027	25,356	72,442

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

There has been no change in the Company's share capital since the end of the previous period reported on.

The Company does not have any outstanding convertibles as at 31 December 2012 and 31 December 2011.

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

As at 31/12/2012	As at 31/12/2011
1,058,829,308	1,058,829,308

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.

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

The figures have not been audited or received.

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 compared with the financial statements for the financial year ended 31 December 2011, except for the amendments to International Financial Reporting Standards stated in point 5 below.

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

In the current year, the Group has applied, the following amendments to International Financial Reporting Standards ("IFRSs").

Amendments to IFRS 7	Financial Instruments: Disclosures - Transfers of Financial Assets
Amendments to IAS 1	As part of the Annual Improvements to IFRSs 2009 - 2011 Cycle issued in 2012
Amendments to IAS 12	Deferred Tax: Recovery of Underlying Assets

Except as discussed below, the application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and the Group's and the Company's financial positions for the current and prior years and/or on disclosures set out in these consolidated financial statements.

Amendments to IAS 12 "Deferred Tax: Recovery of Underlying Assets"

The application of the amendments to IAS 12 has resulted in the Group not recognising any deferred taxes on changes in fair value of the investment property as the Group is not subject to any income taxes on disposal of its investment property. Previously, the Group recognised deferred taxes on change in fair value of investment property on the basis that the entire carrying amount of the property would be recovered through use.

The amendments to IAS 12 have been applied retrospectively, resulting in the Group's deferred tax liabilities being decreased by US\$90,000 as at 31 December 2011, with the corresponding credit being recognised in retained profits. The application of the amendments to IAS 12 has no material impact on the results as at 1 January 2011 as the investment property of the Group was acquired in late 2010 that there was no material change in fair value on 31 December 2010.

In the current year, no deferred taxes have been provided for changes in fair value of the Group's investment property. The change in accounting policy has resulted in the Group's income tax expense for the years ended 31 December 2012 and 31 December 2011 being reduced by US\$49,000 and US\$90,000 respectively and hence resulted in the loss for the years ended 31 December 2012 and 31 December 2011 being decreased by US\$49,000 and US\$90,000 respectively.

Amendments to IAS 1 "Presentation of Financial Statements (as part of the Annual Improvements to IFRSs 2009-2011 Cycle issued in 2012)".

IAS 1 requires an entity that changes accounting policies retrospectively, or makes a retrospective restatement or reclassification to present a statement of financial position as at the beginning of the preceding period (third statement of financial position). The amendments to IAS 1 clarify that an entity is required to present a third statement of financial position only when the retrospective application, restatement or reclassification has a material effect on the information in the third statement of financial position and that related notes are not required to accompany the third statement of financial position.

In the current year, the Group has applied the amendments to IAS 12 "Deferred Tax: Recovery of Underlying Assets" for the first time, which has not resulted in a material effect on the information in the consolidated statement of financial position as at 1 January 2011. In accordance with the amendments to IAS 1, the Group has not presented a third statement of financial position and the related notes as at 1 January 2011.

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)

	Group			
	Q4 2012	Q4 2011	FY 2012	FY 2011
	US Cents	US Cents	US Cents	US Cents
a Based on the weighted average number of ordinary shares in issue	(0.12)	(1.53)	(1.01)	(2.79)
b On a fully diluted basis	(0.12)	(1.53)	(1.01)	(2.79)

NOTES:

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

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

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

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
	US Cents	US Cents	US Cents	US Cents
Net asset value per ordinary share	6.39	7.37	6.84	6.79

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

4Q2012

The Group's turnover decreased by 10% from approximately US\$5.9 million in 4Q11 to US\$5.3 million in 4Q12, reflecting the poor market conditions in dry bulk rates as well as an over-supply of vessels in the market. The BDI was predominantly below the 1,000 level during 4Q12 and is currently around the 700 level.

FY2012

The Group's turnover decreased by 14% from approximately US\$21.7 million in FY2011 to approximately US\$18.8 million in FY2012. The dry bulk market is still poor. The demand for commodities, especially in the Greater China region, slowed down in 2012. These factors led to the low demand for trading and adversely affected the freight rates.

Profitability

4Q2012

Despite the decrease in turnover, the Group's cost of sales decreased by 48% from approximately US\$7.6 million in 4Q11 to approximately US\$4 million in 4Q12. This was mainly due to lower fixed costs, including insurance, crew fees and depreciation arising from the disposal of aged vessels during the past eighteen months. The Group recorded a gross profit of approximately US\$1.3 million in 4Q12 compared to a gross loss of US\$1.7 million in 4Q11.

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 US\$0.1 million in 4Q12, an increase of approximately 350% compared to 4Q11 due to the imputed interest attributable by the long-term receivable on the property investment.

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 gains of approximately US\$1.6 million in 4Q12 due to the reclassification of the amounts charged to impairment loss arising from the disposal of MV Panamax Leader in 3Q12

Administrative expenses increased by 16% from approximately US\$1.3 million to approximately US\$1.5 million in 4Q12 as the Group recorded more expenses on directors' fee and legal and professional fees.

The Group had recorded other expenses of approximately US\$1.1 million in 4Q12 compared to US\$0.2 million in 4Q11. It was due to the imputed interest income attributable to the interest-free long-term loan advanced by the Group in connection with a proposed property investment and a one-off claim against certain subsidiaries in relation to the termination of maintenance arrangements in 4Q12.

The Group conducted a review of the Group's vessels and determined that a number of those assets were impaired, due to the decrease in utilisation rates and the corresponding fall in revenue. Accordingly, the Group had recorded an impairment loss of approximately US\$1.5 million in 4Q12 and US\$9.5 million in 4Q11. The recoverable amount of the vessels had been determined on the basis of their value in use.

The Group recorded finance costs of approximately US\$0.3 million in 4Q12 compared to US\$0.4 million in 4Q11 mainly due to bank borrowings for the acquisition of the two Supermax vessels.

The Group's subsidiaries recorded a revision on income tax expense of US\$17,000 during 4Q12 compared to an income tax expense of approximately US\$96,000 in 4Q11.

The Group recorded other comprehensive income of approximately US\$0.1 million in 4Q12 due to the surplus on revaluation of the Group's leasehold and building. The Group recorded a loss of approximately US\$0.2 million in 4Q11 in respect of other comprehensive income.

Overall, the Group recorded a net loss of approximately US\$1.3 million in 4Q12 due to the other expenses comprising of the discount effect on the long-term loan advanced for the property investment and a one-off claim.

FY2012

Despite the decrease in turnover by 14%, the Group's cost of sales decreased by 43% from approximately US\$32.6 million in FY2011 to approximately US\$18.5 million in FY2012. It was mainly due to lower fixed costs, including insurance, crew fees and depreciation arising from the disposal of aged vessels during the past eighteen months. The Group recorded a gross profit of approximately US\$0.3 million in FY2012 compared to a gross loss of US\$11 million in FY2011.

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 US\$0.4 million in FY2012, a decrease of 32% compared to FY2011. This was largely due to a one-off insurance claim received in FY2011.

Other gains and losses consist of change in fair value of investment property, change in fair value of held-for-trading investments, gains and loss on the disposal of property, plant and equipment and exchange gains and loss. The Group recorded other losses of approximately US\$3.8 million in FY2012 due to the disposal losses of aged vessels, namely MV Raffles, MV Valour, MV Cape Warrior, MV Courage and MV Panamax Leader. The Group recorded other losses of approximately US\$3.5 million in FY2011 due to the loss on disposal of three vessels, namely MV Bravery, MV Heroic and MV Zorina.

Administrative expenses increased by 6% as the Group maintained a relatively stable administrative cost.

The Group recorded other expenses of approximately US\$1.1 million in FY2012 compared to approximately US\$2.2 million in FY2011. It was due to the imputed interest income attributable to the interest-free long-term loan advanced by the Group in connection with a proposed property investment and a one-off claim against certain subsidiaries in relation to the termination of maintenance arrangements in FY2012 while the Group recorded listing expenses in FY2011.

The Group conducted a review of the Group's vessels and determined that a number of those assets were impaired, due to the decrease in utilisation rate and the corresponding fall in revenue. Accordingly, the Group had recorded an impairment loss of approximately US\$1.7 million in FY2012 and US\$9.5 million in FY2011. The recoverable amount of the vessels has been determined on the basis of their value in use.

The Group recorded finance costs of approximately US\$1.1 million in FY2012 compared to US\$0.4 million in FY2011 mainly due to new bank borrowings for the acquisition of the two supermax vessels.

The Group's subsidiaries recorded an income tax expense of US\$6,000 during FY2012 compared to approximately US\$26,000 in FY2011.

The Group recorded other comprehensive income of approximately US\$0.5 million in FY2012 due to the surplus on revaluation of the Group's leasehold land and building. The Group recorded such income for approximately US\$0.7 million in FY2011.

Overall, due to the Group's recorded losses on disposal and impairment losses of vessels, the Group recorded a net loss of approximately US\$10.7 million in FY2012 compared to US\$29.5 million in FY2011.

Cashflow

There was a net increase in cash and cash equivalents of approximately US\$5.2 million in FY2012 due to the net proceeds from the disposal of vessels and new bank loan obtained. The Group was in a net cash position, with cash and bank balances of approximately US\$21.9 million as at 31 December 2012.

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 remains weak and the BDI, which has a close correlation to freight rates, is low at the current 700 level. Low demand for commodities in the Greater China Region, and the over-supply of vessels has led to pressure on the freight rates in the dry bulk market. The Group remains cautious on the outlook for 2013.

Subsequent to the year ended 2012, the Group acquired and took delivery of another second-hand capesize vessel for a cash consideration of US\$7.5 million. The updated tonnage of the Group's fleet is approximately 410,000 dwt. The Group also obtained a bank term loan for the aggregate principal amount of US\$4 million for working capital purposes. With the replacement of the vessels, the Group is well placed to have higher efficiency in the event the dry bulk market recovers in full.

The Group expects the financial performance for 2013 to be adversely affected by the current challenging economic conditions and uncertain outlook. However, the Group will maintain its cost-effective structure and focus on keeping its fleet well-deployed and running efficiently.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Not Applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

(c) Date payable

Not Applicable

(d) Books closure date

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 reported on.

13. Interested Person Transactions

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

Interested Person	Aggregate value of all interested person transactions conducted for FY2012 (excluding transactions less than \$100,000)
Ms. Chou (Spouse of Mr Chang Shun-Chi)	Rental expenses for lease of Shanghai office - US\$27,000
Mr. Chang Shun-Chi	Commission on disposal of vessels paid - US\$114,000 (Payable to Maxmart Shipping & Trading Co., Ltd., a company which Mr. Chang is a director and a sole shareholder.)

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

	2012	2011	% change
	US\$'000	US\$'000	
Turnover for the first half of	9,956	10,105	-1.5
(Loss) after tax before deducting minority interests for the first half of	(9,882)	(9,870)	+0.1
Turnover for the second half of	8,802	11,586	-24
(Loss) after tax before deducting minority interests for the second half of	(795)	(19,674)	-96

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

	Latest Year	Previous Year
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 a 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.

By Order of the Board

WU CHAO HUAN
Managing Director
28 February 2013



Courage Marine Group Limited

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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 Result

The unaudited financial results of the Group for the full year and the fourth quarter ended 31 December 2012 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 unaudited financial results of the Group for the full year and the fourth quarter ended 31 December 2012 to be false or misleading.

By Order of the Board Courage Marine Group Limited

Mr. Hsu Chih-Chien
Chairman and Director

Mr. Wu Chao-Huan
Managing Director

Dated this the Twenty-Eighth day of February 2013