

COURAGE MARINE GROUP LIMITED

勇利航業集團有限公司

(Incorporated in Bermuda)

(Company Registration No. 36692)

CLARIFICATION ANNOUNCEMENT

The board of directors (the "**Board**") of Courage Marine Group Limited (the "**Company**") refers to the Annual Report 2014 (the "**Annual Report**") and would like to make certain clarifications in relation thereto as follows:

Unless otherwise defined, all capitalized terms used in this announcement shall bear the same meanings ascribed to them (if applicable) in the Annual Report.

Re-election of Mr James Chu Wen Yuan as an independent non-executive director

Mr James Chu Wen Yuan ("**Mr Chu**") joined the Board on 24 August 2005 as an independent non-executive Director prior to the listing of the Company on the SGX-ST and has served on the Board for more than 9 years. He was last re-elected as an independent non-executive Director on the last annual general meeting of the Company on 29 April 2014, and a separate resolution will be proposed at the forthcoming annual general meeting of the Company on 29 April 2015 ("**AGM**") for the re-election of Mr Chu as an independent non-executive Director.

As noted on page 27 of the Annual Report, having considered the recommendations of the Nomination Committee, the Board is of the view that Mr Chu's length of service has not, in any way, diminished his independence.

The Board's decision to nominate Mr Chu for re-election as independent non-executive Director was made after a rigorous review of his independence which took into account, *inter alia*, the following factors and considerations:-

- (i) Mr Chu holds 40,000 shares of the Company, and he does not have any business transactions or dealings with the Group (including but not limited to interested persons transactions as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited);
- (ii) Mr Chu is not employed or engaged in business which is competing with or similar to the Group's business, nor does he have any business transactions or dealings with the Group's customers and/or suppliers, which may compromise his independence or give rise to potential conflicts of interest;
- (iii) in his role as a Board member, member of the Audit Committee, Remuneration Committee and Nomination Committee (which committee he also chairs), he has consistently participated actively in discussions at meetings of the Board and the relevant Committees and other matters put before or to be decided by the Board and/or the relevant Committees relating thereto, and has regularly raised questions or issues relating to, *inter alia*, the Group's strategy, business, and financial performance, monitoring and supervision the management of the Company to respond to or follow up on, as well as comments and suggestions for improvement of Board processes, the Board's overview and supervision of the Group's business; and
- (iv) Mr Chu's confirmation to the Nomination Committee in respect of the following:-
 - (a) that he has no relationship with the Company, its related companies or any of their respective directors, officers or 10% shareholder that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement as a director of the Company with a view to the best interests of the Company;
 - (b) that he is not, and was not employed by the Company or any of its related corporations (as defined in the Companies Act (Cap. 50) of Singapore (the "**CA**") for the current or any of the past 3 financial years;

- (c) none of his immediate family members (as defined in the Listing Manual of the Singapore Exchange Securities Trading Limited) is, or was in any of the last three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the Remuneration Committee of the Company;
- (d) neither his immediate family members nor he has or have accepted any significant compensation from the Company or any of its related corporations for the provision of services, for the current or immediate past financial year, other than compensation for board service;
- (e) neither his immediate family members nor he, in the current or immediate past financial year, is or was a 10% shareholder of, or a partner in (with 10% or more stake), or an executive officer of, or a director of, any organization to which the Company or any of its subsidiaries (as defined in the CA) made, or from which the Company or any of its subsidiaries received, significant payments (pursuant to the 2012 Code of Corporate Governance, as a guide, payments aggregated over any financial year is in excess of S\$200,000 is generally deemed to be significant) or material services (which may include auditing, banking, consulting and legal services) in the current or immediate past financial year;
- (f) he is not a 10% shareholder of the Company; and none of his immediate family members is a 10% shareholder of the Company;
- (g) he is not and has not been directly associated with a 10% shareholder of the Company, in the current or the immediate past financial year; and
- (h) there are no other salient factors or circumstances of which he is aware that should be brought to the attention of the Nomination Committee and which may be relevant or pertinent to its determination of whether he is independent for the purposes of the 2012 Code of Corporate Governance.

Apart from the foregoing considerations, the Board believes that the re-election of Mr Chu as an independent non-executive Director by way of a separate resolution to be proposed at the AGM (which is a requirement under the Corporate Governance Code as set out in Appendix 14 of the Hong Kong Listing Rules) is in the interests of the Company and the Shareholders as Mr Chu's valuable knowledge and experience will continue to contribute to and facilitate the Board, especially after the recent changes in the Board's composition.

Confirmation of Assurance by CEO and CFO

Referring to page 33 of the Annual Report, the Board would like to clarify and confirm that the Managing Director, Financial Controller and Financial Director have each confirmed in writing to the Board, *inter alia*, that:-

- (i) the financial records have been properly maintained and the financial statements for the financial year ended 31 December 2014 give a true and fair view of the Company's operations and finances; and
- (ii) they are not aware of any known significant deficiencies in the risk management and internal control systems relating to the preparation and reporting of financial data, or of any fraud.

Interested Person Transactions and Related Employees

Referring to page 37 of the Annual Report, the Board would like to clarify that Ms Chou Hsiu-Ma, spouse of the Company's former non-executive Director, Mr Chang Shun-Chi and Maxmart Shipping & Trading Co., Ltd., a company owned or controlled by Mr Chang Shun-Chi, are considered connected persons¹ under the Hong Kong Listing Rules, and there are no interested person transactions for purposes of Chapter 9 of the SGX Listing Manual for the year under review, as indicated below:

¹ Under the Hong Kong Listing Rules, Mr Chang Shun-Chi, previously a non-executive Director of the Company who retired at the annual general meeting of the Company held on 29 April 2014, is considered a connected person as a former director whose appointment has ceased for less than 12 months.

Name of interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholdersq mandate pursuant to <u>Rule 920</u>)	Aggregate value of all interested person transactions conducted under shareholdersq mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
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The Board would also like to clarify and confirm that no employee of the Group is an immediate family member of a Director (including the Managing Director) of the Company and whose remuneration exceeds S\$50,000 during the year under review.

BY ORDER OF THE BOARD

LEE PIH PENG
COMPANY SECRETARY
21 April 2015