
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Courage Investment Group Limited, you should at once hand this circular, together with the accompanying proxy form, to the purchaser or transferee or to the licensed securities dealer, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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COURAGE INVESTMENT GROUP LIMITED **勇利投資集團有限公司**

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: CIN)

MAJOR TRANSACTIONS

ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF A COMPANY

AND

DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF A COMPANY

AND

NOTICE OF SPECIAL GENERAL MEETING

Capitalised terms used in this cover section shall have the same meanings as those defined in this circular, unless the context requires otherwise.

A notice convening the SGM of Courage Investment Group Limited to be held at Plaza 3, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong at 11:00 a.m. on Thursday, 21 November 2024 or any adjournment thereof is set out on pages SGM-1 to SGM-3 of this circular. Any shareholder or depositor or proxy who wishes to take part in the SGM in Singapore may attend via video conference which will be held at Connection 1, Level 3, Amara Hotel, 165 Tanjong Pagar Road, Singapore 088539. The shareholder or depositor or their proxies attending the said video conference will be able to pose questions to the Company and to comment on the issues to be considered at the SGM as set forth in the notice.

Whether or not you are able to attend the SGM, you are requested to complete and sign the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for shareholders in Hong Kong) or the Company's Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or by email to srs.teamc@boardroomlimited.com (for shareholders in Singapore), in each case as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding of the SGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the SGM or any adjourned meeting should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

1 November 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Acquisition”	proposed acquisition of the Acquisition Sale Shares and Acquisition Sale Loan pursuant to the terms and conditions of the Acquisition Agreement;
“Acquisition Agreement”	sale and purchase agreement dated 13 September 2024 entered into between Peak Prospect as purchaser and the Seller as seller in relation to the Acquisition;
“Acquisition Consideration”	the maximum amount of US\$15,450,100 payable by Peak Prospect to the Seller under the Acquisition Agreement for the Acquisition;
“Acquisition Sale Loan”	the aggregate amount of an interest-free shareholder’s loan advanced by Seller to the Acquisition Target as at the date of completion of the Acquisition;
“Acquisition Sale Shares”	100 ordinary shares of US\$1 each in the Acquisition Target, representing the entire issued share capital of the Acquisition Target;
“Acquisition Target”	Poly Odyssey Marine Corp., a company incorporated in the Marshall Islands with limited liability;
“Ancillary Expenditure”	all costs, fees and expenses (including legal and professional fees) incurred by the Seller and/or Acquisition Target in connection with the set up and operation of the Acquisition Target, and the preparation, negotiation and entering into of the MOA; and all costs, fees and expenses (including legal and professional fees, finance costs, fuels, lubricants and running costs) related to the acquisition and operation of the Target Vessel by the Acquisition Target from the date of the MOA up to the completion of the Acquisition;
“Balance”	90% of the price of the sale and purchase of the Target Vessel under the MOA;
“Banking Days”	days on which banks are open in the United States of America, Greece, the Netherlands, Singapore, the PRC and Hong Kong;
“Bermuda Companies Act”	Companies Act 1981 of Bermuda, as amended, supplemented or modified from time to time;
“Board”	Board of Directors;

DEFINITIONS

“Buyer”	VELDA MARINE CORP., a company incorporated in the Republic of Panama with limited liability;
“Bye-laws”	Bye-laws of the Company, as amended, supplemented or modified from time to time;
“CDP”	The Central Depository (Pte) Limited or its nominee(s), as the case may be;
“close associate(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“Company”	Courage Investment Group Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are primarily listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1145) and secondarily listed on the Main Board of SGX-ST (stock code: CIN);
“connected person(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“Courage Marine”	Courage Marine (Holdings) Co., Limited, a company incorporated in Hong Kong with limited liability;
“Deposit”	10% of the price of the sale and purchase of the Target Vessel under the MOA;
“Depositor(s)”	persons with Shares entered against their names on the register of depositors maintained by CDP;
“Disposal”	proposed disposal of the Disposal Sale Shares and Disposal Sale Loan pursuant to the terms and conditions of the Disposal Agreement;
“Disposal Agreement”	sale and purchase agreement dated 13 September 2024 entered into between the Buyer as purchaser and Courage Marine as seller in relation to the Disposal;
“Disposal Price”	price under the Disposal Agreement of US\$13,800,000 for the Disposal;
“Disposal Sale Loan”	the aggregate amount of an interest-free shareholder’s loan advanced by Courage Marine to the Disposal Target as at the date of completion of the Disposal Agreement;

DEFINITIONS

“Disposal Sale Shares”	100 ordinary shares of US\$100 each in the Disposal Target, representing the entire issued share capital of the Disposal Target;
“Disposal Target”	Zorina Navigation Corp., a company incorporated in the Republic of Panama with limited liability;
“Disposal Vessel”	a vessel named “Zorina”;
“Director(s)”	director(s) of the Company;
“dwt”	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship’s carrying capacity, including bunkers, fresh water, crew and provisions;
“Group”	the Company and its subsidiaries;
“Handling Fee”	handling fee of US\$22,125 payable by Peak Prospect to the Seller under the Acquisition Agreement for the Acquisition;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“IMO”	International Maritime Organization;
“Independent Third Party(ies)”	person(s) who is/are independent of the Group and independent of connected persons of the Company;
“Independent Valuer”	JP Assets Consultancy Limited, an independent qualified valuer, and a professional firm providing valuation and consulting services for a wide range of industries and business functions;
“Jiangsu New Hantong”	Jiangsu New Hantong Ship Heavy Industry Co., Ltd. (a literal translation of its Chinese name 江蘇新韓通船舶重工有限公司), a company incorporated in the PRC with limited liability;
“Latest Practicable Date”	25 October 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“MOA”	memorandum of agreement dated 13 September 2024 entered into between the Acquisition Target as buyer and the Ultimate Seller as seller in relation to the sale and purchase of the Target Vessel;

DEFINITIONS

“Peak Prospect”	Peak Prospect Global Limited, a company incorporated in the British Virgin Islands with limited liability;
“PRC”	the People’s Republic of China (and for the purpose of this circular does not include Hong Kong, the Macao Special Administrative Region and Taiwan Region);
“Purchase Price”	part of the Acquisition Consideration which represents and is equivalent to the price of the sale and purchase of the Target Vessel under the MOA, comprising the Deposit and the Balance;
“RMB”	Renminbi, the lawful currency of the PRC;
“Seller”	Fortune Marine Holdings Limited, a company incorporated in the British Virgin Islands with limited liability;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“SGM”	a special general meeting of the Shareholders to be held at Plaza 3, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong and via video conference at Connection 1, Level 3, Amara Hotel, 165 Tanjong Pagar Road, Singapore 088539 at 11:00 a.m. on Thursday, 21 November 2024 or any adjournment thereof by the Company to consider, and if thought fit, to approve the Acquisition and the Disposal;
“SGM Notice”	notice for convening the SGM which is set out on pages SGM-1 to SGM-3 of this circular;
“SGX-ST”	Singapore Exchange Securities Trading Limited;
“Share(s)”	ordinary share(s) with par value of US\$0.001 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Singapore”	Republic of Singapore;
“Target Vessel”	a vessel named “Diva”;
“Ultimate Seller”	STAR TRIDENT VII LLC, a company incorporated in the Marshall Islands with limited liability;
“US\$”	United States dollars, the lawful currency of the United States of America; and

DEFINITIONS

“%”

per cent.

Any reference in this circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Bermuda Companies Act, the Hong Kong Listing Rules, the SFO or any modification thereof and used in this circular shall, where applicable, have the meaning assigned to it under the Bermuda Companies Act, the Hong Kong Listing Rules, the SFO or any modification thereof, as the case may be.

Words importing the singular number shall include the plural number where the context admits and vice versa. Words importing the masculine gender shall include the feminine gender where the context admits. Reference to persons shall, where applicable, include corporations.

In the event of inconsistency, the English text of this circular and the accompanying proxy form shall prevail over the Chinese text.

LETTER FROM THE BOARD



COURAGE INVESTMENT GROUP LIMITED
勇利投資集團有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: CIN)

Executive Directors:

Mr. Sue Ka Lok (*Chairman*)

Ms. Lee Chun Yeung, Catherine
(*Chief Executive Officer*)

Ms. Wang Yu

Mr. Wu Ying Ha

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Mr. Zhou Qijin

Mr. Pau Shiu Ming

Mr. Tsao Hoi Ho

Principal place of business in Hong Kong:

Room 1501, 15th Floor
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

1 November 2024

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTIONS
ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF A COMPANY
AND
DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF A COMPANY
AND
NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 13 September 2024 in relation to the Acquisition and Disposal.

LETTER FROM THE BOARD

The board announced on 13 September 2024 (after trading hours) that Peak Prospect (a wholly-owned subsidiary of the Company) entered into the Acquisition Agreement with the Seller for the acquisition of the Acquisition Sale Shares, representing the entire issued share capital of the Acquisition Target, and the Acquisition Sale Loan, for a maximum Acquisition Consideration of US\$15,450,100 and the Handling Fee of US\$22,125. The sole asset of the Acquisition Target will be the Target Vessel (or a contractual right to acquire the Target Vessel under the MOA). On the same day, Courage Marine (another indirect wholly-owned subsidiary of the Company) entered into the Disposal Agreement with the Buyer for the disposal of the Disposal Sales Shares, representing the entire issued share capital of the Disposal Target, and the Disposal Sale Loan, for the Disposal Price of US\$13,800,000. The sole asset of the Disposal Target is the Disposal Vessel. The Acquisition and the Disposal are not inter-conditional.

The purpose of this circular is to provide you with, among other things, (i) further details of the Acquisition and Disposal; (ii) the valuation of the Target Vessel and Disposal Vessel respectively by the Independent Valuer; (iii) other information as required to be contained in the circular under the Hong Kong Listing Rules; and (iv) the notice of the SGM.

THE ACQUISITION

On 13 September 2024 (after trading hours), Peak Prospect (a wholly-owned subsidiary of the Company) entered into the Acquisition Agreement with the Seller for the acquisition of the Acquisition Sale Shares, representing the entire issued share capital of the Acquisition Target, and the Acquisition Sale Loan, for a maximum Acquisition Consideration of US\$15,450,100 and the Handling Fee of US\$22,125. The sole asset of the Acquisition Target will be the Target Vessel (or a contractual right to acquire the Target Vessel under the MOA).

The Acquisition Agreement

The principal terms of the Acquisition Agreement are as follows:

Date: 13 September 2024

Parties: Peak Prospect (as purchaser)

Seller (as vendor)

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Seller and its ultimate beneficial owner are Independent Third Parties.

LETTER FROM THE BOARD

**The MOA, Acquisition Target
and Target Vessel:**

Parallel to the Acquisition Agreement and on the same day as the Acquisition Agreement, the Acquisition Target entered into the MOA pursuant to which the Acquisition Target agreed to purchase and the Ultimate Seller agreed to sell the Target Vessel at a price of US\$14,750,000. Under the MOA, the Deposit of US\$1,475,000 is to be paid by the Acquisition Target into an escrow account within 3 Banking Days of the MOA, and will be released to the Ultimate Seller on delivery of the Target Vessel; the Balance of US\$13,275,000 is to be paid by the Acquisition Target to the Ultimate Seller on the delivery of the Target Vessel.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the parties to the MOA and their ultimate beneficial owners are Independent Third Parties.

As it is impracticable to enter into a conditional agreement with the Ultimate Seller subject to Shareholders' approval, the Seller agreed to facilitate the Group's acquisition of the Target Vessel by procuring the Acquisition Target to enter into the MOA, with the intention of transferring the Target Vessel to the Group through the sale of the Acquisition Sale Shares and the Acquisition Sale Loan to the Group.

Consideration:

The maximum Acquisition Consideration totalling US\$15,450,100 comprises:

- (1) the par value of the Acquisition Sale Shares of US\$100;
- (2) the Acquisition Sale Loan advanced by the Seller to the Acquisition Target on a dollar-for-dollar basis which represents the aggregate of:
 - (a) the Purchase Price of US\$14,750,000:
 - (i) if, and only if, the purchase of the Target Vessel by the Acquisition Target under the MOA is completed before completion of the Acquisition, the Balance of US\$13,275,000;
 - (ii) to the extent that the Acquisition Target has paid the Deposit pursuant to the terms of the MOA, the Deposit of US\$1,475,000; and

LETTER FROM THE BOARD

- (b) the Ancillary Expenditure of a maximum of US\$700,000 (the exact amount of which will only be ascertainable at completion of the Acquisition); and

as consideration for the Seller to facilitate the Group's acquisition of the Target Vessel, the Handling Fee of US\$22,125 (being 0.15% of the Purchase Price) is also payable by Peak Prospect to the Seller.

Payment terms:

The Acquisition Consideration and the Handling Fee are payable on completion of the Acquisition. Since completion of the Acquisition is not conditional on completion of the transactions under the MOA, if the completion of the Acquisition takes place before the completion of the transactions under the MOA, the maximum Acquisition Consideration will be US\$1,545,100, which represents approximately 10% of the maximum Acquisition Consideration. This is reflective of (i) the part of the Acquisition Sale Loan that represents the Balance (i.e. 90% of the Purchase Price) will not be payable by the Group to the Seller; and (ii) the Ancillary Expenditure in such circumstances is not expected to exceed US\$70,000.

Condition precedent:

Completion is conditional upon:

- (1) the passing of the resolution(s) by the Shareholders at the SGM to be convened to approve the Acquisition Agreement and the transactions contemplated thereunder;
- (2) if the transactions under the MOA have not completed, the MOA remaining valid and legally binding;
- (3) if the transactions under the MOA have not completed, there are no circumstances of which the Seller is aware that may cause the MOA to be terminated; and
- (4) the representations and warranties given by the Seller remaining true, complete, accurate and not misleading as of the completion date of the Acquisition.

Condition (1) above is not capable of being waived whereas the remaining conditions may be waived at the option of Peak Prospect. As at the Latest Practicable Date, none of the above conditions has been fulfilled.

LETTER FROM THE BOARD

Termination: If the condition precedent is not fulfilled on or before 31 December 2024 or such other date as may be agreed by Peak Prospect and the Seller, or if the MOA is terminated before completion of the Acquisition, the Acquisition Agreement shall terminate.

The Consideration

The Acquisition Consideration and Handling Fee were determined upon arm's length negotiations between the Group and the Seller. To the best of the knowledge, information and belief of the Directors, the Acquisition Target has not entered into any business transaction and has no assets prior to entering into the MOA. Accordingly, the Acquisition Consideration represents the sum of (i) the par value of the Acquisition Sale Shares; (ii) if, and only if, the sale and purchase of the Target Vessel under the MOA is completed, the Purchase Price, which is equivalent to the price of the Target Vessel under the MOA which was itself determined after arm's length negotiations between the parties to the MOA (together with the participation of the Group) on normal commercial terms with reference to prevailing market prices of vessels of similar age, capacity and conditions; and (iii) the amount of the Ancillary Expenditure incurred by the Seller and the Acquisition Target in relation to the acquisition and operation of the Target Vessel from the date of the MOA up to the completion of the Acquisition, upon production of evidence satisfactory to the Group. In agreeing to the Purchase Price (as part of the Acquisition Consideration), the Group had made reference to (i) the valuation of the Target Vessel at approximately US\$15,600,000 as at 31 July 2024 as appraised by the Independent Valuer (as further detailed below and in Appendix II of this circular); (ii) prevailing market prices and transactions of vessels with similar age and carrying capacity; (iii) the design of the Target Vessel and the shipyard where it was built; and (iv) the types of cargoes the Target Vessel can carry.

The consideration will be funded by the Group's internal resources, including the remaining net proceeds from the fund raised by way of an open offer in January 2021, which is detailed in page 9 of the Company's 2023 Annual Report published in April 2024, intended for the acquisition of a second-hand dry bulk vessel. As at the Latest Practicable Date, the remaining net proceeds raised from the said open offer is US\$5.8 million. The Group may raise further funds by way of bank borrowings subject to the business and financial needs of the Group.

Delivery of the Vessel under the MOA

The Target Vessel shall be delivered charter free and free from registered encumbrances and mortgages, and taken over safely afloat at a safe and accessible berth or anchorage in Singapore or Hong Kong or in the PRC, inside port limits in the Ultimate Seller's option. The notice of readiness shall not be tendered before 15 November 2024. The Acquisition Target has an option to terminate the MOA if the Ultimate Seller fails to give notice of readiness or fails to be ready to validly complete a legal transfer of the Target Vessel by 22 December 2024. In such case, the Deposit together with interest earned, if any, will be returned to the Acquisition Target immediately.

Information on the parties to the Acquisition Agreement and the MOA

The principal activity of Peak Prospect is investment holding.

LETTER FROM THE BOARD

The Seller is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. To the best knowledge, information and belief of the Directors, the Seller is ultimately owned by Mr. Su Ning.

The Ultimate Seller is a company incorporated in the Marshall Islands with limited liability and is principally engaged in ship owning. To the best knowledge, information and belief of the Directors, the Ultimate Seller is independent from the Seller and Mr. Su Ning.

The Acquisition Target and the Target Vessel

The Acquisition Target was incorporated on 8 July 2024 in the Marshall Islands and is wholly owned by the Seller. It has no assets and has not conducted any business or activities other than entering into the MOA. As such, no net profit or loss before and after taxation of the Acquisition Target for the two financial years immediately preceding the entering of the Acquisition Agreement is presented in this circular. The unaudited net assets of the Acquisition Target as at 31 July 2024 was approximately US\$100. Assuming the Acquisition completes, the Company will acquire the Acquisition Sale Shares and Acquisition Sale Loan, and the Acquisition Target will become a wholly-owned subsidiary of the Company.

The Target Vessel is a second-hand dry bulk Supramax vessel named “Diva” and was built by Jiangsu New Hantong in 2011 with a carrying capacity of approximately 57,000 dwt for transportation of dry bulk commodities. As at the Latest Practicable Date, it was under charter and was operating in normal operating condition.

The Company understands that the Target Vessel has been operated by the Ultimate Seller under time charter trip. While the income from such time charter trip for the three financial years ended 31 December 2023 were provided to the Company, the Ultimate Seller refused to provide to the Company the expenses for the Target Vessel to generate such income. Accordingly, the Company was not able to ascertain the net profits (or losses) attributable to the Target Vessel for the preceding financial years from the Ultimate Seller. To the best knowledge, information and belief of the Company, the revenue attributable to the Target Vessel for the three years ended 31 December 2023 and the six months ended 30 June 2024 are set out below, where the revenue for the year ended 31 December 2023 was relatively low as the Target Vessel was put to repair and maintenance for three months that year:

	For the year ended			For the six
	31 December			months ended
	2021	2022	2023	30 June 2024
	<i>US\$ million</i>	<i>US\$ million</i>	<i>US\$ million</i>	<i>US\$ million</i>
Revenue	7.5	9.5	5.5	4

In any event, the net profits attributable to the Target Vessel in the financial years prior to the signing of the Acquisition Agreement are only indicative of the performance of the Target Vessel as operated by the Ultimate Seller under the historical market conditions, the Ultimate Seller’s shipping contracts (which were time charter trip) and their management and operating practices. As the Group intends to operate the Target Vessel with its own shipping contracts (which could be a combination of time charter, voyage charter and time charter trip) and under its own management and operating practices, the previous financial performance

LETTER FROM THE BOARD

attributable to the Target Vessel would not provide meaningful benchmark of its value or the financial performance attributable to it under the Group's operation in future and therefore is not a relevant consideration for the valuation and determination of the consideration of the Target Vessel.

For these reasons, the Company applied for, and the Hong Kong Stock Exchange granted, a waiver from strict compliance with Rule 14.58(7) and Rule 14.67(6)(b)(i) of the Hong Kong Listing Rules requiring the Company to include the net profits (both before and after taxation) attributable to the Acquisition Target and to the Target Vessel for the two preceding financial years and a profit and loss statement for the three preceding financial years of the identifiable net income stream of the Target Vessel in this circular. The Company is of the view that the lack of such information is not an omission of material facts and will not render the information contained in this circular misleading or deceptive.

Valuation of the Target Vessel

The valuation of the Target Vessel by the Independent Valuer adopted the market approach and made the following principal assumptions:

- (a) the Target Vessel will continue to be used in its present existing state for the business of the Group for which it was designed and built without specific reference to income; and
- (b) the Target Vessel will be used in its present existing state with the benefit of continuity during the foreseeable future.

In the course of considering the appropriate valuation approach and methodology adopted in the valuation of the Target Vessel, the Independent Valuer excluded the income approach as the relevant data was not available. As for the cost approach, it will generally only be considered if there is a lack of market comparables. Given that there is an ample amount of vessel sales transaction information that could be used for market comparison, hence, the Independent Valuer determined to adopt the market approach as the principal method to determine the valuation of the Target Vessel.

The Independent Valuer selected comparables from the market transactions based on (i) type of vessels as Supramax type; (ii) use of vessels as bulk carriers; (iii) vessel's capacity; (iv) age of vessels; and (v) built location being in the PRC, on an exhaustive basis. As advised by the Independent Valuer, the transaction prices paid for the comparable vessels during the period from 5 July 2024 to 2 August 2024 based on available market data fall within the range of approximately US\$12,500,000 to US\$17,300,000. In arriving at the valuation of the Target Vessel, adjustments were made to the transaction prices of the comparable vessels to account for the difference in age and carrying capacity. For the age adjustment, annual depreciation rates of the comparable vessels were computed assuming a normal useful life of 25 years for the vessels. A downward adjustment would be made to the prices of the comparable vessels with longer remaining useful life, while an upward adjustment would be made to the prices of the comparable vessels with shorter remaining useful life. For the carrying capacity, this involves converting the prices of the comparable vessels to a dollar-per-tonnage basis, and then applying an upward or downward adjustment to align their prices with the same dwt as the vessel being appraised. Upon adjustment, the estimated fair values of the comparable vessels fall within the range of approximately US\$13,300,000 to US\$15,430,000 with a mean value of US\$14,050,000.

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Since the Target Vessel installed an exhaust gas cleaning system (also known as a scrubber system) in 2020 which allows its sulphur emission to comply with regulations of the IMO that took effect since 1 January 2020 limiting the sulphur content of ships' fuel oil to 0.5% without the need to switch to using low-sulphur compliant fuel oil which is more costly, the Independent Valuer reviewed the relevant information from one of the world's leading ship classification societies and quotation from a scrubber system supplier in the PRC and adjusted upwards the Target Vessel's valuation by US\$1,550,000 from the mean value of the estimated fair values of the comparable vessels.

After taking into account the above factors, the Independent Valuer reached the opinion that the Target Vessel's valuation reflected the market value of the Target Vessel as at the date of valuation (i.e., 31 July 2024), and that the estimated fair value of the Target Vessel is reasonably represented by the amount of US\$15,600,000. The Purchase Price thus represents a discount to the valuation of the Target Vessel of approximately 5.45%.

Further details of the valuation of the Target Vessel by the Independent Valuer are set out in Appendix II of this circular, where the text of the valuation report prepared by the Independent Valuer is extracted and set out therein.

Having discussed with the Independent Valuer the basis and rationale for different valuation approaches, and having considered the reasons of the Independent Valuer in relation to the applicability of each approach (including unavailability of relevant data for the income approach, the availability of sales transaction information which could be used for market comparison, and the general consideration of using cost approach when there is a lack of market comparables), and the principal assumptions of and the parameters adopted (including the adjustments made to the comparable vessels to account for the difference in age and carrying capacity and to account for the scrubber system) in the valuation stated above, the Directors agreed with the Independent Valuer's analysis and the adoption of the market approach as the appropriate valuation methodology. The Board was also advised that the principal assumptions of and the parameters adopted in the valuation are common for vessel valuations. In view of the aforesaid, the Board is of the view that the methodology as well as the key assumptions of and the parameters adopted in the valuation of the Target Vessel are fair and reasonable.

The Board had reviewed and enquired into the qualifications and experience of the Independent Valuer in relation to the preparation of the valuation of the Target Vessel. To the best of the Directors' knowledge and belief and having made all reasonable enquiries, Mr. Sunny C. K. Lee holds a Bachelor of Engineering and a Master of Science, both in Mechanical Engineering, and is a Chartered Mechanical Engineer; he has over 30 years of experience in the valuation industry and has extensive experience in plant and machinery valuation in Hong Kong and Macau, and across different countries including the PRC, the Philippines and Australia. The Directors had also obtained information on the Independent Valuer's track records on various types of valuations and noted that the Independent Valuer had been engaged as the independent valuer for a wide range of companies listed on the Hong Kong Stock Exchange. As such, the Board is of the view that the Independent Valuer is qualified, experienced and competent in performing vessel valuations and providing a reliable opinion in respect of the valuation of the Target Vessel.

The Board also enquired with the Independent Valuer as to its independence from the Group, the Seller and the Ultimate Seller, and had received confirmation from the Independent Valuer that they have no present or prospective interest in the Target Vessel, they are not a related corporation of and do not have a

LETTER FROM THE BOARD

relationship with the Company, the Seller or the Ultimate Seller, and they are independent of the Company. Based on the aforesaid and having made all reasonable enquiries, the Board is satisfied with the independence of the Independent Valuer and, to the best of the knowledge of the Directors, there is no relationship or interest which may reasonably be considered to affect the Independent Valuer's independence to act as the independent valuer for the Company in connection with the valuation of the Target Vessel.

Taking into account the above, the Directors are of the view that the valuation of the Target Vessel by the Independent Valuer as set out in Appendix II of this circular had fairly and reasonably reflected the fair value of the Target Vessel.

Reasons for and benefits of the Acquisition

The Acquisition is in line with the business strategy of the Group to upgrade its dry bulk fleet when appropriate opportunities arise. Upon completion of the transactions contemplated under the Acquisition Agreement and the MOA, the Acquisition Target will become a wholly-owned subsidiary of the Company and the Target Vessel will be owned by the Group. The Acquisition represents the addition (or replacement if the Disposal is completed) of a vessel of the Group's dry bulk fleet which is expected to be easier to maintain and less costly to operate. With the scrubber system installed, the Target Vessel can use less costly fuel oil to comply with the relevant regulations of the IMO. Additionally, the Disposal Vessel was built by a shipyard which, to the best knowledge, information and belief of the Directors, has ceased to engage in the building of dry bulk vessels. As a result, it becomes difficult for the Group to obtain technical support for the repairs and maintenance of the Disposal Vessel to maintain the conditions of the Disposal Vessel. On the other hand, the Target Vessel was built by Jiangsu New Hantong, a reputable shipbuilder in the PRC, which would be able to provide technical support, when requires by the Group, for the repairs and maintenance of the Target Vessel. Therefore, the Acquisition together with the Disposal effectively represent an upgrade of the Group's dry bulk fleet and would enable the Group to provide better services to its customers.

The Directors are of the view that the Acquisition is in the interest of the Company and the Shareholders as a whole, and that the Acquisition Agreement is on normal commercial terms and the terms are fair and reasonable.

Financial effect of the Acquisition

Effect of the Acquisition on the net asset value of the Group

Assuming the Acquisition completes, there will not be any significant immediate effect on the net asset value of the Group immediately after the Acquisition. Upon completion of the Acquisition, the Group's cash and cash equivalents will decrease by the maximum extent of approximately US\$15,547,000 for settlement of the Acquisition Consideration of US\$15,450,100 (inclusive of Ancillary Expenditure of US\$700,000), the handling fee of US\$22,125 and the estimated legal and professional fees associated with the Acquisition of US\$75,000, whereas the Group's property, plant and equipment will increase by US\$14,750,000 which represents the Purchase Price of the Target Vessel. Accordingly, there will be no significant change in the total assets of the Group immediately after the Acquisition, whereas the total liabilities of the Group is expected to remain unchanged.

LETTER FROM THE BOARD

An unaudited pro forma statement of assets and liabilities of the Group is set out in Appendix IV to this circular to illustrate the effects of the Acquisition on the cash position and the net asset value of the Group.

Effect of the Acquisition on the earnings of the Group

The total revenue and loss of the Group for the year ended 31 December 2023 were approximately US\$8,512,000 and approximately US\$3,974,000, respectively. Assuming the Acquisition completes, it is expected that the Target Vessel will be put on hire and generating chartering income that will contribute positively to the Group's revenue and operating income.

THE DISPOSAL

On 13 September 2024 (after trading hours), Courage Marine (an indirect wholly-owned subsidiary of the Company) entered into the Disposal Agreement with the Buyer for the disposal of the Disposal Sales Shares, representing the entire issued share capital of the Disposal Target, and the Disposal Sale Loan, for the Disposal Price of US\$13,800,000. The sole asset of the Disposal Target is the Disposal Vessel. The Acquisition and the Disposal are not inter-conditional.

The Disposal Agreement

The principal terms of the Disposal Agreement are as follows:

Date: 13 September 2024

Parties: Courage Marine (as vendor)

Buyer (as purchaser)

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Buyer and its ultimate beneficial owner are Independent Third Parties.

Consideration: The Disposal Price is US\$13,800,000 and comprises the disposal prices for the Disposal Sale Shares of US\$10,000 and for the Disposal Sale Loan of US\$13,790,000.

Payment terms: The Disposal Price is payable on completion of the Disposal Agreement.

Condition precedent: Completion is conditional upon the passing of the resolution(s) by the Shareholders at the SGM to be convened to approve the Disposal Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

Termination: If the condition precedent is not fulfilled on or before 30 November 2024 or such other date as may be agreed by Courage Marine and the Buyer, the Disposal Agreement shall terminate.

The Consideration

The consideration for the Disposal was determined upon arm's length negotiations between the Group and the Buyer. The Disposal Price was determined with reference to prevailing market prices of vessels of similar age, capacity and conditions and valuation of the Disposal Vessel at approximately US\$14,100,000 as at 31 July 2024 as appraised by the Independent Valuer (as further detailed below and in Appendix III of this circular). The Company intends to use the proceeds from the Disposal as general working capital of the Group.

Information on the parties to the Disposal Agreement

The principal activity of Courage Marine is investment holding.

The Buyer is a company incorporated in the Republic of Panama with limited liability and is principally engaged in investment holding. To the best knowledge, information and belief of the Directors, the Buyer is ultimately owned by Ms. Yeh Hung Mei-Chih.

The Disposal Target and the Disposal Vessel

The Disposal Target was incorporated in the Republic of Panama and it is principally engaged in the ownership and operation of the Disposal Vessel, its only asset. Assuming the Disposal completes, the Company will no longer hold any interest in the Disposal Target and the Disposal Target will cease to be a subsidiary of the Company.

According to the management accounts of the Disposal Target, the net profits before and after tax for the years ended 31 December 2022 and 2023 are set out below:

	For the year ended	
	31 December	
	2022	2023
	<i>US\$'000</i>	<i>US\$'000</i>
Profit before tax	827	469
Profit after tax	827	469

The unaudited adjusted net assets of the Disposal Target as at 31 July 2024 was approximately US\$13,299,000 (after adjusting for the shareholder loan due to Courage Marine).

The Disposal Vessel is named "Zorina" and was built in 2011 with a carrying capacity of approximately 57,000 dwt. As at the Latest Practicable Date, it was under charter and was operating in normal operating condition. The carrying value of the Disposal Vessel as at 31 July 2024 was approximately US\$13,605,000.

LETTER FROM THE BOARD

Valuation of the Disposal Vessel

The valuation of the Disposal Vessel by the Independent Valuer adopted the market approach and made the following principal assumptions:

- (a) the Disposal Vessel will continue to be used in its present existing state for which it was designed and built without specific reference to income; and
- (b) the Disposal Vessel will be used in its present existing state with the benefit of continuity during the foreseeable future.

In the course of considering the appropriate valuation approach and methodology adopted in the valuation of the Disposal Vessel, the Independent Valuer is of the view that the income approach is not appropriate. The international shipping market is highly volatile with freight rates subject to significant fluctuations due to macroeconomic and geopolitical factors. If income approach is to be used, various projections, including contract terms and operating costs, have to be made which cannot be easily justified or ascertained, thus reasonable projections of the amounts and timing of future income are not available for the valuation. As for the cost approach, it will generally only be considered if there is a lack of market comparables. Accordingly, the market approach is adopted by the Independent Valuer to determine the valuation of the Disposal Vessel.

The Independent Valuer selected market comparables based on (i) type of vessels as Supramax type; (ii) use of vessels as bulk carriers; (iii) vessel's capacity; (iv) age of vessels; and (v) built location being in the PRC, on an exhaustive basis. As advised by the Independent Valuer, the transaction prices paid for the comparable vessels during the period from 5 July 2024 to 2 August 2024 based on available market data fall within the range of approximately US\$12,500,000 to US\$17,300,000. In arriving at the valuation of the Disposal Vessel, adjustments were made to the transaction prices of the comparable vessels to account for the difference in age and carrying capacity. For the age adjustment, annual depreciation rates of the comparable vessels were computed assuming a normal useful life of 25 years for the vessels. A downward adjustment would be made to the prices of the comparable vessels with longer remaining useful life, while an upward adjustment would be made to the prices of the comparable vessels with shorter remaining useful life. For the carrying capacity, this involves converting the prices of the comparable vessels to a dollar-per-tonnage basis, and then applying an upward or downward adjustment to align their prices with the same dwt as the vessel being appraised. Upon adjustment, the estimated fair values of the comparable vessels fall within the range of approximately US\$13,350,000 to US\$15,460,000 with a mean value of US\$14,100,000.

After taking into account the above factors, the Independent Valuer reached the opinion that the Disposal Vessel's valuation reflected the market value of the Disposal Vessel as at the date of valuation (i.e., 31 July 2024), and that the estimated fair value of the Disposal Vessel is reasonably represented by the amount of US\$14,100,000. The Disposal Price thus represents a discount to the Disposal Vessel's valuation of approximately 2.13%.

Further details of the valuation of the Disposal Vessel by the Independent Valuer are set out in Appendix III of this circular, where the text of the valuation report prepared by the Independent Valuer is extracted and set out therein.

LETTER FROM THE BOARD

Having discussed with the Independent Valuer the basis and rationale for different valuation approaches, and having considered the reasons of the Independent Valuer in relation to the applicability of each approach (including projections of data and amounts that cannot be easily justified or ascertained for the income approach, the availability of sales transaction information which could be used for market comparison, and the general consideration of using cost approach when there is a lack of market comparables), and the principal assumptions of and the parameters adopted (including the adjustments made to the comparable vessels to account for the difference in age and carrying capacity) in the valuation stated above, the Directors agreed with the Independent Valuer's analysis and the adoption of the market approach as the appropriate valuation methodology. The Board was also advised that the principal assumptions of and the parameters adopted in the valuation are common for vessel valuations. In view of the aforesaid, the Board is of the view that the methodology as well as the key assumptions of and the parameters adopted in the valuation of the Disposal Vessel are fair and reasonable.

For the same reason set out in the section headed "Valuation of the Target Vessel" above in this letter from the Board, the Board is of the view that the Independent Valuer is qualified, experienced and competent in performing vessel valuations and providing a reliable opinion in respect of the valuation of the Disposal Vessel.

The Board also enquired with the Independent Valuer as to its independence from the Group and the Buyer, and had received confirmation from the Independent Valuer that they have no present or prospective interest in the Disposal Vessel, they are not a related corporation of and do not have a relationship with the Company, or the Buyer, and they are independent of the Company. Based on the aforesaid and having made all reasonable enquiries, the Board is satisfied with the independence of the Independent Valuer and, to the best of the knowledge of the Directors, there is no relationship or interest which may reasonably be considered to affect the Independent Valuer's independence to act as the independent valuer for the Company in connection with the valuation of the Disposal Vessel.

Taking into account the above, the Directors are of the view that the valuation of the Disposal Vessel by the Independent Valuer as set out in Appendix III of this circular had fairly and reasonably reflected the fair value of the Disposal Vessel.

Reasons for and benefits of the Disposal

The Group's dry bulk fleet currently comprises three Supramax size vessels, of which the Disposal Vessel is one of the oldest. The Disposal is in line with the business strategy of the Group to upgrade its dry bulk fleet when appropriate opportunities arise. Subject to the Acquisition being completed, the Disposal represents the replacement of a vessel of the Group's dry bulk fleet by one which is expected to be easier to maintain and less costly to operate given the Disposal Vessel does not have a scrubber system installed. Also, the Disposal Vessel was built by a shipyard which, to the best knowledge, information and belief of the Directors, has ceased to engage in the building of dry bulk vessel. As a result, it becomes difficult for the Group to obtain technical support for the repairs and maintenance of the Disposal Vessel to maintain the conditions of the Disposal Vessel. On the other hand, the Target Vessel was built by Jiangsu New Hantong, a reputable shipbuilder in the PRC, which would be able to provide technical support, when requires by the Group, for the repairs and maintenance of the Target Vessel. Therefore, the Acquisition together with the Disposal effectively represent an upgrade of the Group's dry bulk fleet and would enable the Group to provide better services to its customers.

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Upon completion of the transactions contemplated under the Disposal Agreement, the Group may reallocate the net proceeds from the Disposal as general working capital which may be used, if and when appropriate opportunities arise, to expand the capacity or improve the efficiency of the Group's dry bulk fleet.

The Directors are of the view that the Disposal is in the interest of the Company and the Shareholders as a whole, and that the Disposal Agreement is on normal commercial terms and the terms are fair and reasonable.

Financial effect of the Disposal

Assuming the Disposal completes, the Company expects to record a gain of approximately US\$501,000. The expected gain is calculated with reference to the Disposal Price and the unaudited adjusted net assets of the Disposal Target as at 31 July 2024 of approximately US\$13,299,000 (after adjusting for the shareholder loan due to Courage Marine). The actual gain or loss of the Disposal will be subject to change depending on the adjusted net assets of the Disposal Target as at the date of completion of the Disposal Agreement and is subject to any accounting adjustment and audit by the Company's auditor.

Effect of the Disposal on the net asset value of the Group

Assuming the Disposal completes, the Group will receive cash proceeds of US\$13,800,000, based on the unaudited adjusted net assets of the Disposal Target as at 31 July 2024 of approximately US\$13,299,000, it is expected that there will not be any significant immediate effect on the net asset value of the Group immediately after the Disposal. Upon completion of the Disposal, the Group's cash and cash equivalent will increase by US\$13,800,000 due to the receipt of cash proceeds, based on the management accounts of the Disposal Target as at 31 July 2024, it is estimated that the Group's property, plant and equipment will decrease by approximately US\$13,605,000 which represents the carrying value of the Disposal Vessel as at 31 July 2024, and the Group's liabilities will decrease by approximately US\$306,000 which represents the trading liabilities of the Disposal Target as at 31 July 2024. Accordingly, there will be no significant change in the total assets and the total liabilities of the Group immediately after the Disposal.

Effect of the Disposal on the earnings of the Group

The total revenue and loss of the Group for the year ended 31 December 2023 were approximately US\$8,512,000 and approximately US\$3,974,000, respectively, while the Disposal Target generated a revenue of approximately US\$1,630,000 and reported a profit before and after taxation of approximately US\$469,000. Assuming the Disposal completes, it is expected that the Group's revenue and operating income will both be reduced by the amounts attributable to the Disposal Target as its results will no longer be incorporated in the Group's results.

INFORMATION OF THE GROUP

The principal activity of the Company is investment holding. The Group, comprising the Company and its subsidiaries, is principally engaged in the business of marine transportation, investment holding, property holding and investment, and merchandise trading.

LETTER FROM THE BOARD

HONG KONG LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Hong Kong Listing Rules is more than 25% but less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Hong Kong Listing Rules and is subject to, amongst others, the announcement and shareholders' approval requirements under the Hong Kong Listing Rules.

As one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Hong Kong Listing Rules is more than 25% but less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Hong Kong Listing Rules and is subject to, amongst others, the announcement and shareholders' approval requirements under the Hong Kong Listing Rules.

THE SGM

The SGM Notice is set out on pages SGM-1 to SGM-3 of this circular. A proxy form for use at the SGM is enclosed. Shareholders with a material interest in the Acquisition and/or Disposal and their respective close associates are required to abstain from voting on the relevant resolution(s) approving the same at the SGM. To the extent that the Directors are aware having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on any resolution at the SGM.

For Shareholders in Hong Kong, in order to be eligible to attend and vote at the SGM, all unregistered holders of Shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 14 November 2024.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, all votes at the SGM will be taken by way of poll except where the Chairman of the SGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the Chairman of the SGM will put the resolutions set out in the SGM Notice to be voted by way of poll pursuant to the Bye-laws.

ACTIONS TO BE TAKEN BY SHAREHOLDERS

Hong Kong

Shareholders (whether or not able to attend the SGM) are requested to complete and sign the Hong Kong proxy form (the "**Hong Kong Proxy Form**") in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for the holding of the SGM or any adjournment thereof. Completion and return of the Hong Kong Proxy Form will not preclude Shareholders from subsequently attending and voting at the SGM or any adjourned meeting should they so wish and in

LETTER FROM THE BOARD

such event, the instrument appointing a proxy shall be deemed to be revoked. Please note that this paragraph is only applicable to Shareholders whose Shares are registered in the branch register of members in Hong Kong.

Singapore

For Shareholder who is unable to attend the SGM and wishes to appoint a proxy to attend and vote on his/her/its behalf, he/she/it should complete, sign and return the accompanying Shareholder proxy form (the “**Singapore Proxy Form**”) in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company’s Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or by email to srs.teamc@boardroomlimited.com, not less than forty-eight (48) hours before the time appointed for holding of the SGM or any adjournment thereof. The completion and return of the Singapore Proxy Form by Shareholders will not preclude them from subsequently attending and voting at the SGM or any adjourned meeting should they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked. Please note that this paragraph is only applicable to Shareholders who do not hold Shares through an account with CDP (i.e., who hold Shares in scrip).

Under the Bermuda Companies Act, only a person who agrees to become a shareholder of a Bermuda company and whose name is entered in the register of members of such a Bermuda company is considered a member with rights to attend and vote at general meetings of such company.

Accordingly, under Bermuda laws, a Depositor holding Shares through the CDP would not be recognised as a Shareholder, and would not have the right to attend, speak and vote at general meetings convened by the Company. In the event that a Depositor wishes to attend and vote at the SGM, the Depositor would have to do so through CDP appointing him/her/it as a proxy, pursuant to the Bye-laws and the Bermuda Companies Act.

Pursuant to Bye-law 77(1)(b) of the Bye-laws, unless CDP specifies otherwise in a written notice to the Company, CDP shall be deemed to have appointed the Depositors who are individuals and whose names are shown in the records of CDP as at a time not earlier than forty-eight (48) hours prior to the time of the relevant general meeting supplied by CDP to the Company as CDP’s proxies to vote on behalf of the CDP at a general meeting of the Company. Notwithstanding any other provisions in the Bye-laws, the appointment of proxies by virtue of Bye-law 77(1)(b) shall not require an instrument of proxy or the lodgement of any instrument of proxy.

Accordingly, Depositors who wish to appoint nominee(s) to attend and vote on his/her/its behalf at the SGM must complete and return the accompanying Depositor proxy form (the “**Depositor Proxy Form**”), for the nomination of proxy to attend and vote at the SGM on his/her/its behalf as CDP’s proxy, in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the Company’s Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or by email to srs.teamc@boardroomlimited.com, not less than forty-eight (48) hours before the time appointed for holding of the SGM or any adjournment thereof.

LETTER FROM THE BOARD

RECOMMENDATION

For the reasons set out in the sections headed “Reasons for and benefits of the Acquisition” and “Reasons for and benefits of the Disposal”, the Directors consider the Acquisition and Disposal respectively to be in the best interests of the Company and the Shareholders as a whole and accordingly, the Directors recommend all Shareholders to vote in favour of the resolution(s) set out in the SGM Notice.

ADDITIONAL INFORMATION

The attention of the Shareholders is drawn to the additional information set out in the appendices to this circular.

Shareholders and potential investors of the Company should note that completion of the Acquisition and Disposal is conditional upon the satisfaction of certain conditions. Accordingly, the Acquisition and/or Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

Yours faithfully
For and on behalf of the Board
Courage Investment Group Limited
Sue Ka Lok
Chairman

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP

Consolidated financial information of the Group for each of the three financial years ended 31 December 2021, 2022 and 2023 and the six months ended 30 June 2024 is disclosed in the following documents which have been published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.courageinv.com):

- (i) annual report of the Company for the year ended 31 December 2021 (pages 57 to 118); (<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042801633.pdf>)
- (ii) annual report of the Company for the year ended 31 December 2022 (pages 58 to 115); (<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042701782.pdf>)
- (iii) annual report of the Company for the year ended 31 December 2023 (pages 58 to 107); and (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0429/2024042901783.pdf>)
- (iv) interim report of the Company for the six months ended 30 June 2024 (pages 9 to 25). (<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0927/2024092701313.pdf>)

2. STATEMENT OF INDEBTEDNESS

As at 30 September 2024, being the most recent practicable date for this indebtedness statement prior to the printing of this circular, the Group had lease liabilities of approximately US\$34,000 that were unsecured and unguaranteed.

Save as disclosed herein and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, at the close of business on 30 September 2024, the Group did not have any other material debt securities, issued or outstanding, or authorised or otherwise created but unissued, term loan, other borrowing or indebtedness in the nature of borrowing of the Group including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits or hire purchase commitments, mortgages, charges, covenants, other contingent liabilities or guarantees.

3. WORKING CAPITAL SUFFICIENCY

The Directors, after due and careful enquiries, are of the opinion that, in the absence of any unforeseen circumstances and after taking into account the present internal resources of the Group and the expected cash flow from operations, the Group will have sufficient working capital for its present requirements for at least twelve months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Hong Kong Listing Rules.

4. MATERIAL ADVERSE CHANGE

The Directors confirm that there was no material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited accounts of the Group were made up, up to and including the Latest Practicable Date.

5. BUSINESS AND FINANCIAL PROSPECTS OF THE GROUP

The Group is prudently optimistic about the prospects of the marine transportation business in the medium to long term, given that global trading activities have increased alongside the recovery and growth of the global economy. Nevertheless, ongoing conflicts in Ukraine and Palestine, and disruptions in the Panama and Suez Canals, are adding uncertainties to the market.

The Acquisition and the Disposal align with the Group's business strategy of upgrading its dry bulk fleet when appropriate opportunities arise. The Acquisition together with the Disposal, as explained above, effectively represent an upgrade of the Group's dry bulk fleet and would enable the Group to provide better services to its customers. Looking ahead, the Group will continue to manage its businesses in a disciplined manner, as well as to explore potential investment and acquisition opportunities and business enhancement strategies which are expected to bring long-term benefits to the shareholders.

The following is the text of a valuation report, prepared for the purpose of incorporation in this circular received from JP Assets Consultancy Limited, an independent qualified valuer, in connection with the valuation of a vessel to be acquired by Peak Prospect Global Limited, a wholly-owned subsidiary of Courage Investment Group Limited, through the acquisition of the entire issued share capital of and shareholder's loan to Poly Odyssey Marine Corp.



Unit A6-A, 12/F., Block A,
Hong Kong Industrial Centre,
489-491 Castle Peak Road,
Lai Chi Kok, Kowloon,
Hong Kong

1 November 2024

The Board of Directors
Courage Investment Group Limited
Room 1501, 15th Floor,
Great Eagle Centre,
23 Harbour Road,
Wanchai,
Hong Kong

Dear Sirs or Madams,

In accordance with your instructions, we have made an appraisal of a vessel named MV Diva (the “**Vessel**”) exhibited to us as that to be acquired by Peak Prospect Global Limited, a wholly-owned subsidiary of Courage Investment Group Limited (the “**Company**”), through the acquisition of the entire issued share capital of and shareholder's loan to Poly Odyssey Marine Corp.

We confirm that we have made relevant inquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the fair value of the Vessel as at 31 July 2024.

It is our understanding that this appraisal report was prepared for the purpose of incorporation in this circular and for the reference of the shareholders of the Company.

1. INTRODUCTION

Courage Investment Group Limited is an investment holding company primarily listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1145) and secondarily listed on the Main Board of SGX-ST (stock code: CIN). The principal activities of the Group are provision of marine transportation services, property holding and investment, merchandise trading and investment holding. The Vessel exhibited to us as that to be acquired by the Group is appraised in fair value.

2. PARTICULARS OF THE VESSEL

References are made to the Particulars of Vessel provided by the Company where detailed information is stated.

PARTICULARS OF THE VESSEL:

Owner	:	STAR TRIDENT VII LLC
Vessel Name/IMO No.	:	MV Diva/9609811
Vessel Type	:	Bulk Carrier
Age	:	13 years
Built	:	May 2011
Built By	:	Jiangsu New Hantong Ship Heavy Industry Co., Ltd. (a literal translation of its Chinese name 江蘇新韓通船舶重工有限公司)
Port of Registration	:	Monrovia, Liberia
Design Deadweight Tonnage	:	56,582 tonnes
Estimated Gross Tonnage	:	33,037 tonnes
Light Weight Tonnage	:	11,099 tonnes
Length between perpendicular	:	185.6 m
Molded Breadth	:	32.26 m
Molded Depth	:	18 m
Estimated Useful Life	:	25 years

3. BASIS OF VALUATION

The basis of valuation will be fair value which is defined as the following:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

4. VALUATION METHODOLOGIES

There are generally three accepted approaches for our valuation, namely:

The Cost Approach

The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets including costs of transport, installation, commissioning and consultants' fees. Adjustment is then made for accrued depreciation, which encompasses condition, utility, age, wear and tear, functional and economic obsolescence.

The Market Approach

The market approach considers prices recently paid for similar assets, with adjustments made to the indicated market prices to reflect condition and utility of the appraised assets relative to the market comparables.

The Income Approach

The income approach is the present worth of the future economic benefits of ownership. This approach is generally applied to an aggregation of assets which consists of all assets of a business enterprise including working capital and tangible and intangible assets.

General

In most valuations, one or more approach(es) may be applicable to the subject assets. In some situations, elements of the three approaches may be combined to reach a value conclusion.

5. ANALYSIS

In developing our opinion on the fair value for the Vessel, the income approach is excluded as no relevant financial information relating to the Vessel is available; we therefore put more of our emphasis on the market approach and the cost approach. In respect of the cost approach, it will generally only be considered if there is a lack of market comparables. In this appraisal, we have an ample amount of sales transaction information that could be used for market comparison. Hence, the market approach served as the principal method adopted to determine our opinion of value.

Under the market approach, the value of the appraised Vessel is estimated through an analysis of recent sales of comparable items to the Vessel. The analysis is employed in the valuation of the Vessel for which there is a known used market. Under the premise of continued use assuming adequate earnings, consideration is given to the price to acquire similar items in the used-vessel market.

According to its carrying capacity, the Vessel under appraised, namely MV Diva, is today commonly classified as Supramax type bulk carrier. Supramax vessels are small-sized vessels with carrying capacities between 50,000 to 60,000 DWT (dead weight tonnage), these vessels are specialised in that they are designed to navigate through both the Panama Canal and Suez Canal.

The DWT of MV Diva is approximately 56,582 tonnes. For the valuation, we have selected seven comparable vessels (the “**Comparable Vessels**”) from the website of Hellenic Shipping News Worldwide (www.hellenicshippingnews.com). The Comparable Vessels were chosen from week 28 to week 31 of 2024 (5 July 2024 to 2 August 2024) (the “**Selected Period**”) and were recorded in the Advanced Weekly Shipping Market Report and the Monthly Report of Athenian Shipbrokers S.A. in July 2024. The sales transaction records in the Selected Period cover the valuation date and represent an ample amount of comparables collected which is considered sufficient for our valuation purpose, it is also a fair and reasonable reflection of the market condition as of the valuation date. In addition, we selected all the appropriate comparables from the market transactions published in the website above, based on (i) type of

vessels as Supramax type; (ii) use of vessels as bulk carriers; (iii) vessel's capacity; (iv) age of vessels; and (v) built location being in the PRC, on an exhaustive basis, which are considered fair and representative. Detailed information about the Comparable Vessels is provided below:

Vessel Name	Deadweight		Shipyard/ Country of Built	Selling Price (US\$) A	Adjusted	Adjustment Rate (B/A-1) x100%
	Tonnage	Year Built			Selling Price (US\$) B	
Oracle	58,018	2009	Yangzhou, China	12,500,000	13,500,000	+8.0%
UM Elhanaya	56,726	2010	Qingshan, China	12,700,000	13,300,000	+4.7%
Seacon Yantai	56,944	2010	Cosco, China	13,800,000	14,440,000	+4.6%
Olympus	57,374	2013	Stx Dalian, China	17,300,000	15,430,000	-10.8%
H Juno	57,353	2011	Stx Dalian, China	14,000,000	13,810,000	-1.4%
Heilan Cruiser	56,922	2012	Shanghai, China	14,200,000	13,460,000	-5.2%
Miriner	56,784	2009	Jiangsu, China	13,000,000	14,410,000	+10.8%
Estimated mean value					14,050,000	

The selection criteria of the Comparable Vessels are as follows:

- (i) Type of the vessels – the Vessel and the Comparable Vessels are all Supramax type.
- (ii) Use of the vessels – the Vessel and the Comparable Vessels are all utilised as bulk carriers.
- (iii) The vessel's capacity – the deadweight tonnage of the Vessel is 56,582 and the deadweight tonnage of the Comparable Vessels ranges from 56,726 to 58,018.
- (iv) Age – the Vessel has an age of 13 years, while the age of the Comparable Vessels ranges from 11 to 15 years.
- (v) Country of built – MV Diva was built in China, and the Comparable Vessels were also all built in China.

We have made appropriate selection of comparables from the market transactions, and it is crucial to ensure that the vessels in the selected range are appropriately adjusted to match the vessel being appraised. When compiling price information, we have compared the key attributes of the selected vessels as mentioned above, and made adjustments to the price of the Comparable Vessels as follows:

- (i) The vessel's carrying capacity – this involves converting the price of the Comparable Vessels to a dollar-per-tonne basis, and then applying an upward or downward adjustment to align their prices with the same deadweight tonnage as the vessel being appraised.

- (ii) The age – assuming a normal useful life of 25 years for the vessels, we have calculated the annual depreciation rate of the Comparable Vessels. A downward adjustment would be made to the prices of the Comparable Vessels with longer remaining useful life, while an upward adjustment would be made to the prices of the Comparable Vessels with shorter remaining useful life. The adjustments have been made with reference to the benchmark of a 13 years old vessel.
- (iii) The country of built – no adjustment has been made to the prices of the Comparable Vessels as they were all built in China.

After making adjustments to the transaction prices of the Comparable Vessels for the adjustment factors as detailed in (i) to (iii) above, as shown in the table above, we have determined that the estimated fair values (i.e., adjusted selling prices) of the Comparable Vessels range from US\$13,300,000 to US\$15,430,000 and the estimated mean fair value of MV Diva is US\$14,050,000 (the adjustment rate stated in the table above encompasses the combined effect of the adjustments, derived from the adjustment factors as detailed in (i) to (iii) above). The deviations from the estimated mean fair value of MV Diva range from – 5.34% to + 9.82%, which are considered acceptable.

- (iv) Specific outfitting on the Vessel – Exhaust gas cleaning system (EGCS):
 - (a) With the International Maritime Organization (IMO) 2020 regulations taking effect from 1 January 2020, the limit for sulphur in the fuel oil used on board ships operating outside designated emission control areas has been reduced from 3.50% m/m to 0.50% m/m.
 - (b) In order to comply with the regulations, MV Diva installed an Open Loop Scrubber System with certification in 2020.
 - (c) Based on the information from Bureau Veritas Marine & Offshore, one of the world's leading ship classification societies, the total cost for a scrubber installation could vary due to factors such as ship type and size, with an average cost of about EUR 2 million per scrubber (<https://marine-offshore.bureauveritas.com/magazine/client-corner-your-questions-about-scrubbers-answered>).
 - (d) A quotation obtained from COSCO Shipping Heavy Industry Technology (Weihai) Co., Limited (a literal translation of its Chinese name 威海中遠海運重工科技有限公司) (“CSHIT”) showed that the total costs for a scrubber installation amounting to approximately US\$1.55 million.
 - (e) After reviewing the relevant information as mentioned in (c) and (d) above, and considered that CSHIT is a member of China COSCO Shipping Corporation Limited, a State-owned enterprise in the PRC and a reputable shipping group, we believe that such quote is representative and the scrubber installation cost of US\$1.55 million is reasonable. Accordingly, an upward adjustment by US\$1.55 million from the estimated mean fair value of MV Diva is made and the estimated fair value of the MV Diva is US\$15,600,000.

In the course of valuation, we have perused records, conducted interviews with senior management and obtained relevant information with regard to the Vessel.

6. SCOPE OF INVESTIGATION, ASSUMPTIONS AND CONSIDERATIONS

As no inspection could be arranged, we have assumed that the Vessel was in good working condition showing no signs of heavy corrosion, deformation or fractures to the side shell plate. Each of the ship hull and frame were structurally sound, free from any deterioration, and the associated equipment was in normal working condition. We have relied to a very considerable extent on the information provided by the Company and have accepted records furnished by the Company as properly describing the Vessel and reasonably representing the facts.

Consideration had been given to accrued depreciation that was based on the assumed condition and present and prospective serviceability in comparison with new units of like kind, including factors like maintenance policy, characteristics, levels of use and all other factors that were deemed to have an influence on the Vessels' value, as well as recent market prices of comparable items to the Vessel in a similar classification with due consideration to their age and condition.

In forming our opinion of the fair value of the Vessel, we have assumed that they will continue to be used in their present existing state for business of the Company for which they were designed and built without specific reference to income.

The opinion of fair value of the Vessel as constructed for the intended utilisation is not necessarily intended to represent the amount that might be realised from piecemeal disposition of the Vessel in the open market or from alternative uses of the Vessel.

We have assumed that the Vessel will be used in their present existing state with the benefit of continuity during the foreseeable future.

We have made no investigation of and assumed no responsibility for the title to the Vessel. We have also assumed in our valuation that the Vessel is free from any encumbrance.

Our valuation of the Vessel did not attempt to arrive at any conclusion of the total value of the Company as a business entity.

We did not investigate any financial data pertaining to the present or prospective earning capacity of the operation in which the Vessel was used.

We had not carried out a mechanical survey, nor had we inspected covered or inaccessible areas of the Vessel. Also, no investigation was conducted as to whether the operation of specific pieces of the Vessel complied with the relevant environmental standards and ordinances; we had assumed that the Vessel continued and would continue to comply with the current environmental standards and ordinances. We made no allowance in our valuation for costs, if any, associated with the disposal or handling of materials required to comply with the current or changing environment legislations.

We have relied on the information provided by the Company in valuing the Vessel.

7. LIMITING CONDITIONS

We have totally disregarded such items of the Vessel which, in our opinion, have no practical take-up value or are normally charged as operating expenses.

We are not prepared to give testimony or attendance in court or to any government agency with reference to the Vessel.

Unless otherwise stated, the Vessel has been valued in United States Dollars (US\$).

8. CONCLUSION OF VALUE

Based on the investigation described, it is our opinion that as of 31 July 2024, the fair value of the Vessel is reasonably represented by the amount of UNITED STATES DOLLARS FIFTEEN MILLION SIX HUNDRED THOUSAND (US\$15,600,000).

For the purpose of this appraisal, we have reviewed the acquisition records and survey report as well as other related technical specifications and documents supplied to us by the Company. We have relied to a considerable extent on such records, listings, specifications and documents in arriving at our opinion of value.

We have not investigated the title to or any liabilities against the Vessel.

We hereby certify that we have neither present nor a prospective interest in the Vessel or the value reported.

Respectfully submitted,
For and on behalf of
JP ASSETS CONSULTANCY LIMITED
Sunny C.K. Lee
*MSc, BEng (Hons), CEng., MIMechE,
MSAE, AMHKIE*

Note: Mr. Sunny C.K. Lee is a Chartered Mechanical Engineer and he has extensive experience in plant and machinery valuation in Greater China and the Asia-Pacific Region.

The following is the text of a valuation report, prepared for the purpose of incorporation in this circular received from JP Assets Consultancy Limited, an independent qualified valuer, in connection with the valuation of a vessel to be disposed of by Courage Marine (Holdings) Co., Limited, a wholly-owned subsidiary of Courage Investment Group Limited, through the disposal of the entire issued share capital of and shareholder's loan to Zorina Navigation Corp.



Unit A6-A, 12/F., Block A,
Hong Kong Industrial Centre,
489-491 Castle Peak Road,
Lai Chi Kok, Kowloon,
Hong Kong

1 November 2024

The Board of Directors
Courage Investment Group Limited
Room 1501, 15th Floor,
Great Eagle Centre,
23 Harbour Road,
Wanchai,
Hong Kong

Dear Sirs or Madams,

In accordance with your instructions, we have made an appraisal of a vessel named MV Zorina (“**Vessel**”) exhibited to us as that to be disposed by Courage Marine (Holdings) Co., Limited, a wholly-owned subsidiary of Courage Investment Group Limited (the “**Company**”), through the disposal of the entire issued share capital of and shareholder’s loan to Zorina Navigation Corp.

We confirm that we have made relevant inquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the fair value of the Vessel as at 31 July 2024.

It is our understanding that this appraisal report was prepared for the purpose of incorporation in this circular and for the reference of the shareholders of the Company.

1. INTRODUCTION

Courage Investment Group Limited is an investment holding company primarily listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 1145) and secondarily listed on the Main Board of SGX-ST (stock code: CIN). The principal activities of the Group are provision of marine transportation services, property holding and investment, merchandise trading and investment holding. The Vessel exhibited to us as that to be disposed by the Group, is appraised in fair value.

2. PARTICULARS OF THE VESSEL

References are made to the Particulars of Vessel provided by the Company where detailed information is stated.

PARTICULARS OF THE VESSEL:

Owner	:	Zorina Navigation Corp.
Vessel Name/IMO No.	:	MV Zorina/9599391
Vessel Type	:	Bulk Carrier
Age	:	13 years
Built	:	December 2011
Built By	:	Zhejiang Zengzhou Shipbuilding Co., Ltd. (a literal translation of its Chinese name 浙江增洲造船有限公司)
Port of Registration	:	Panama
Design Deadweight Tonnage	:	56,757 tonnes
Estimated Gross Tonnage	:	32,987 tonnes
Light Weight Tonnage	:	10,924 tonnes
Length between perpendicular	:	185.64 m
Molded Breadth	:	32.26 m
Molded Depth	:	18.01 m
Estimated Useful Life	:	25 years

3. BASIS OF VALUATION

The basis of valuation will be fair value which is defined as the following:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The objective of a fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.

4. VALUATION METHODOLOGIES

There are generally three accepted approaches for our valuation, namely:

The Cost Approach

The cost approach considers the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets including costs of transport, installation, commissioning and consultants' fees. Adjustment is then made for accrued depreciation, which encompasses condition, utility, age, wear and tear, functional and economic obsolescence.

The Market Approach

The market approach considers prices recently paid for similar assets, with adjustments made to the indicated market prices to reflect condition and utility of the appraised assets relative to the market comparables.

The Income Approach

The income approach is the present worth of the future economic benefits of ownership. This approach is generally applied to an aggregation of assets which consists of all assets of a business enterprise including working capital and tangible and intangible assets.

General

In most valuations, one or more approach(es) may be applicable to the subject assets. In some situations, elements of the three approaches may be combined to reach a value conclusion.

5. ANALYSIS

In developing our opinion on the fair value for the Vessel, the income approach is excluded as reasonable projections of the amounts and timing of future income are not available for the valuation of the Vessel, and the financial projections require inputs of different assumptions which might inherit uncertainties; we therefore put more of our emphasis on the market approach and the cost approach. In respect of the cost approach, it will generally only be considered if there is a lack of market comparables. In this appraisal, we have an ample amount of sales transaction information that could be used for market comparison. Hence, the market approach served as the principal method adopted to determine our opinion of value.

Under the market approach, the value of the appraised Vessel is estimated through an analysis of recent sales of comparable items to the Vessel. The analysis is employed in the valuation of the Vessel for which there is a known used market. Under the premise of continued use assuming adequate earnings, consideration is given to the price to acquire similar items in the used-vessel market.

According to its carrying capacity, the Vessel under appraised, namely MV Zorina is today commonly classified as Supramax type bulk carrier. Supramax vessels are small-sized vessel with carrying capacities between 50,000 to 60,000 DWT (dead weight tonnage), these vessels are specialised in that they are designed to navigate through both the Panama Canal and Suez Canal.

The DWT of MV Zorina is approximately 56,757 tonnes. For the valuation, we have selected seven comparable vessels (the “**Comparable Vessels**”) from the website of Hellenic Shipping News Worldwide (www.hellenicshippingnews.com). The Comparable Vessels were chosen from week 28 to week 31 of 2024 (5 July 2024 to 2 August 2024) (the “**Selected Period**”) and were recorded in the Advanced Weekly Shipping Market Report and the Monthly Report of Athenian Shipbrokers S.A. in July 2024. The sales transaction records in the Selected Period cover the valuation date and represent an ample amount of comparables collected which is considered sufficient for our valuation purpose, it is also a fair and reasonable reflection of the market condition as of the valuation date. In addition, we selected all the

appropriate comparables from the market transactions published in the website above, based on (i) type of vessels as Supramax type; (ii) use of vessels as bulk carriers; (iii) vessel's capacity; (iv) age of vessels; and (v) built location being in the PRC, on an exhaustive basis, which are considered fair and representative. Detailed information about the Comparable Vessels is provided below:

Vessel Name	Deadweight		Shipyard/ Country of Built	Selling Price	Adjusted	Adjustment Rate
	Tonnage	Year Built		(US\$) A	(US\$) B	
Oracle	58,018	2009	Yangzhou, China	12,500,000	13,560,000	+8.5%
UM Elhanaya	56,726	2010	Qingshan, China	12,700,000	13,350,000	+5.1%
Seacon Yantai	56,944	2010	Cosco, China	13,800,000	14,500,000	+5.1%
Olympus	57,374	2013	Stx Dalian, China	17,300,000	15,460,000	-10.6%
H Juno	57,353	2011	Stx Dalian, China	14,000,000	13,850,000	-1.1%
Heilan Cruiser	56,922	2012	Shanghai, China	14,200,000	13,490,000	-5.0%
Miriner	56,784	2009	Jiangsu, China	13,000,000	14,480,000	+11.4%

Estimated mean value 14,100,000

The selection criteria of the Comparable Vessels are as follows:

- (1) Type of the vessels – the Vessel and the Comparable Vessels are all Supramax type.
- (2) Use of the vessels – the Vessel and the Comparable Vessels are all utilised as bulk carriers.
- (3) The vessel's capacity – the deadweight tonnage of the Vessel is 56,757 and the deadweight tonnage of the Comparable Vessels ranges from 56,726 to 58,018.
- (4) Age – the Vessel has an age of 13 years, while the age of the Comparable Vessels ranges from 11 to 15 years.
- (5) Country of built – MV Zorina was built in China, and the Comparable Vessels were also all built in China.

We have made appropriate selection of comparables from the market transactions, and it is crucial to ensure that the vessels in the selected range are appropriately adjusted to match the vessel being appraised. When compiling price information, we have compared the key attributes of the selected vessels as mentioned above, and made adjustments to the price of the Comparable Vessels as follows:

- (i) The vessel's carrying capacity – this involves converting the price of the Comparable Vessels to a dollar-per-tonne basis, and then applying an upward or downward adjustment to align their prices with the same deadweight tonnage as the vessel being appraised.

- (ii) The age – assuming a normal useful life of 25 years for the vessels, we have calculated the annual depreciation rate of the Comparable Vessels. A downward adjustment would be made to the prices of the Comparable Vessels with longer remaining useful life, while an upward adjustment would be made to the prices of the Comparable Vessels with shorter remaining useful life. The adjustments have been made with reference to the benchmark of a 13 years old vessel.

- (iii) The country of built – no adjustment has been made to the prices of the Comparable Vessels as they were all built in China.

After making adjustments to the transaction prices of the Comparable Vessels for the adjustment factors detailed in (i) to (iii) above, as shown in the table above, we have determined that the estimated fair values (i.e., adjusted selling prices) of the Comparable Vessels range from US\$13,350,000 to US\$15,460,000 and the estimated mean fair value of MV Zorina is US\$14,100,000 (the adjustment rate stated in the table above encompasses the combined effect of the adjustments, derived from the adjustment factors as detailed in (i) to (iii) above). The deviations from the estimated mean fair value of MV Zorina range from – 5.32% to + 9.65%, which are considered acceptable.

In the course of valuation, we have perused records, conducted interviews with senior management and obtained relevant information with regard to the Vessel.

6. SCOPE OF INVESTIGATION, ASSUMPTIONS AND CONSIDERATIONS

As no inspection could be arranged, we have assumed that the Vessel was in good working condition showing no signs of heavy corrosion, deformation or fractures to the side shell plate. Each of the ship hull and frame were structurally sound, free from any deterioration, and the associated equipment was in normal working condition. We have relied to a very considerable extent on the information provided by the Company and have accepted records furnished by the Company as properly describing the Vessel and reasonably representing the facts.

Consideration had been given to accrued depreciation that was based on the assumed condition and present and prospective serviceability in comparison with new units of like kind, including factors like maintenance policy, characteristics, levels of use and all other factors that were deemed to have an influence on the Vessels' value, as well as recent market prices of comparable items to the Vessel in a similar classification with due consideration to their age and condition.

In forming our opinion of the fair value of the Vessel, we have assumed that they will continue to be used in their present existing state for business of the Company for which they were designed and built without specific reference to income.

The opinion of fair value of the Vessel as constructed for the intended utilisation is not necessarily intended to represent the amount that might be realised from piecemeal disposition of the Vessel in the open market or from alternative uses of the Vessel.

We have assumed that the Vessel will be used in their present existing state with the benefit of continuity during the foreseeable future.

We have made no investigation of and assumed no responsibility for the title to the Vessel. We have also assumed in our valuation that the Vessel is free from any encumbrance.

Our valuation of the Vessel did not attempt to arrive at any conclusion of the total value of the Company as a business entity.

We did not investigate any financial data pertaining to the present or prospective earning capacity of the operation in which the Vessel was used.

We had not carried out a mechanical survey, nor had we inspected covered or inaccessible areas of the Vessel. Also, no investigation was conducted as to whether the operation of specific pieces of the Vessel complied with the relevant environmental standards and ordinances; we had assumed that the Vessel continued and would continue to comply with the current environmental standards and ordinances. We made no allowance in our valuation for costs, if any, associated with the disposal or handling of materials required to comply with the current or changing environment legislations.

We have relied on the information provided by the Company in valuing the Vessel.

7. LIMITING CONDITIONS

We have totally disregarded such items of the Vessel which, in our opinion, have no practical take-up value or are normally charged as operating expenses.

We are not prepared to give testimony or attendance in court or to any government agency with reference to the Vessel.

Unless otherwise stated, the Vessel has been valued in United States Dollars (US\$).

8. CONCLUSION OF VALUE

Based on the investigation described, it is our opinion that as of 31 July 2024, the fair value of the Vessel is reasonably represented by the amount of UNITED STATES DOLLARS FOURTEEN MILLION ONE HUNDRED THOUSAND (US\$14,100,000).

For the purpose of this appraisal, we have reviewed the shipping records and survey report as well as other related technical specifications and documents supplied to us by the Company. We have relied to a considerable extent on such records, listings, specifications and documents in arriving at our opinion of value.

We have not investigated the title to or any liabilities against the Vessel.

We hereby certify that we have neither present nor a prospective interest in the Vessel or the value reported.

Respectfully submitted,
For and on behalf of
JP ASSETS CONSULTANCY LIMITED
Sunny C.K. Lee
*MSc, BEng (Hons), CEng., MIMechE,
MSAE, AMHKIE*

Note: Mr. Sunny C.K. Lee is a Chartered Mechanical Engineer and he has extensive experience in plant and machinery valuation in Greater China and the Asia-Pacific Region.

The following is the text of the independent reporting accountants' assurance report received from Moore CPA Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this Circular.

**Moore CPA Limited**

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**A. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO PROMA FINANCIAL INFORMATION****TO THE DIRECTORS OF COURAGE INVESTMENT GROUP LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Courage Investment Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of assets and liabilities of the Group as at 30 June 2024 and related notes as set out on pages IV-4 and IV-6 of Appendix IV to the circular issued by the Company dated 1 November 2024 (the “**Circular**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages IV-4 to IV-6 of Appendix IV to the Circular.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed acquisition of the entire issued share capital of and shareholder's loan to Poly Odyssey Marine Corp. (the “**Proposed Acquisition**”) on the Group's financial position as at 30 June 2024 as if the Proposed Acquisition had taken place at 30 June 2024. As part of this process, information about the Group's financial position as at 30 June 2024 has been extracted by the Directors from the Group's unaudited condensed consolidated financial statements for the six months ended 30 June 2024, on which no auditor's report or review report has been published.

Directors' Responsibilities for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by Rule 4.29(7) of the Hong Kong Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with Rule 4.29 of the Hong Kong Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2024 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the

unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to Rule 4.29(1) of the Hong Kong Listing Rules.

Moore CPA Limited
Certified Public Accountants

Hong Kong
1 November 2024

B. UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE GROUP

- * **All capitalised terms used herein have the same meaning as those defined in the Circular, unless otherwise indicated.**

The following is an illustrative and unaudited pro forma statement of assets and liabilities of the Group (the “**Unaudited Pro Forma Financial Information**”) which has been prepared on the basis of the notes set out below for the purpose of illustrating the effects of the proposed acquisition of the Target Vessel (the “**Proposed Acquisition**”) as if the Proposed Acquisition had been taken place on 30 June 2024.

The Unaudited Pro Forma Financial Information has been prepared based on (i) the use of accounting policies consistent with that of the Group, as set out in the published annual report of the Group for the year ended 31 December 2023; (ii) unaudited condensed consolidated statement of financial position of the Group as at 30 June 2024, as set out in its published 2024 interim report for the six months ended 30 June 2024; and (iii) the pro forma adjustments prepared to reflect the effects of the Proposed Acquisition (as explained in the notes set out below) that are directly attributable to the Proposed Acquisition and not relating to future events or decisions and are factually supportable.

The Unaudited Pro Forma Financial Information should be read in conjunction with other financial information contained in this Circular.

The Unaudited Pro Forma Financial Information has been prepared by the Directors in accordance with Rule 4.29 of the Hong Kong Listing Rules and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants. As a result of its hypothetical nature, it may not give a true picture of the financial position or results of the Group had the Proposed Acquisition been completed as of the specified dates or any future date.

Courage Investment Group Limited

Unaudited Pro Forma Statement of Assets and Liabilities of the Group

	The Group	Unaudited pro forma		Pro forma
	As at 30	adjustment		total for
	June 2024	adjustment		the Group
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	As at 30
	<i>(Note 1)</i>	<i>(Note 2)</i>	<i>(Note 3)</i>	<i>US\$'000</i>
Non-current assets				
Property, plant and equipment	38,444	14,750	–	53,194
Right-of-use asset	56	–	–	56
Debt instruments at fair value through other comprehensive income	389	–	–	389
	<u>38,889</u>	<u>14,750</u>	<u>–</u>	<u>53,639</u>
Current assets				
Trade receivables	56	–	–	56
Other receivables and prepayments	554	–	–	554
Bank deposits	18,050	–	–	18,050
Cash and cash equivalents	1,914	(15,472)	(75)	(13,633)
	<u>20,574</u>	<u>(15,472)</u>	<u>(75)</u>	<u>5,027</u>
Total assets	<u>59,463</u>	<u>(722)</u>	<u>(75)</u>	<u>58,666</u>
Current liabilities				
Deposits received, other payables and accruals	890	–	–	890
Contract liabilities	138	–	–	138
Lease liabilities	59	–	–	59
	<u>1,087</u>	<u>–</u>	<u>–</u>	<u>1,087</u>
Net current assets	<u>19,487</u>	<u>(15,472)</u>	<u>(75)</u>	<u>3,940</u>
Total assets less total liabilities	<u>58,376</u>	<u>(722)</u>	<u>(75)</u>	<u>57,579</u>

Notes:

1. The figures are extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2024, as set out in the published interim report of the Company for the six months ended 30 June 2024 dated 26 August 2024.
2. The adjustment represents the maximum amount to be paid for the Acquisition by the Group:
 - a) the maximum Acquisition Consideration totaling US\$15,450,100 includes:
 - (i) the par value of the Acquisition Sale Shares of US\$100;
 - (ii) the Purchase Price of US\$14,750,000; and
 - (iii) the Ancillary Expenditure of a maximum of US\$700,000.
 - b) as consideration for the Seller to facilitate the Group's acquisition of the Target Vessel, a handling fee of US\$22,125 (being 0.15% of the Purchase Price) is also payable by the Group to the Seller.

Upon completion of the Proposed Acquisition, the Group will elect to apply the optional concentration test to assess whether the acquired set of activities and assets is not a business in accordance with International Financial Reporting Standards ("IFRS") 3 "Business Combination" ("IFRS 3").

Under the MOA, the Target Vessel to be acquired by the Group is a second-hand dry bulk Supramax vessel named "Diva" and was built by Jiangsu New Hantong in 2011 with a carrying capacity of approximately 57,000 dwt for transportation of dry bulk commodities, as at the Latest Practicable Date, the Target Vessel was under charter and operating in normal operating condition.

For the purpose of preparation of the Unaudited Pro Forma Financial Information, the Group has elected to apply the optional concentration test in accordance with IFRS 3 and concluded that substantially all of the fair value of the gross asset acquired is concentrated in a single identifiable asset (i.e., the Target Vessel) and the asset acquired is not a business. Hence, the Group recognises the Target Vessel as property, plant and equipment by allocating the whole purchase price, which is assumed at US\$14,750,000, to the Target Vessel as at 30 June 2024. The Ancillary Expenditure and the handling fee are considered as acquisition related costs and recognised in profit or loss.

In the opinion of the Directors of the Company, based on the balances of the Group's bank deposits and cash and cash equivalents as at 30 June 2024, the Group would have sufficient internal financial resources to settle the consideration for the acquisition, including the time deposits to be released before completion of the Proposed Acquisition which would be used as part of the settlement consideration.

For the purpose of preparation of the Unaudited Pro Forma Financial Information, it is assumed as if the Proposed Acquisition was completed as of 30 June 2024.

3. The adjustment represents the estimated legal and professional fees associated with the Proposed Acquisition of approximately US\$75,000.
4. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2024.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures

As at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

Substantial Shareholders' and other persons' interests and short positions in Shares, underlying Shares and debentures

As at the Latest Practicable Date, so far as was known to the Directors and chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, Shareholders who had interests and short positions in the Shares and underlying Shares which need to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register to be kept by the Company under section 336 of the SFO, were as follows:

Name of Shareholder	Capacity and nature of interest	Number of shares held	Approximate percentage of the Company's issued shares
Suen Cho Hung, Paul ("Mr. Suen")	Interest of controlled corporation	315,990,132 (Note)	28.79%
Brilliant Epic Asia Limited ("Brilliant Epic")	Interest of controlled corporation	315,990,132 (Note)	28.79%
Success United Development Limited ("Success United")	Beneficial owner	315,990,132 (Note)	28.79%

Notes:

As at the Latest Practicable Date, the total number of Shares in issue was 1,097,703,568.

Success United was a wholly-owned subsidiary of Brilliant Epic which was, in turn, wholly owned by Mr. Suen. Mr. Suen was the sole director of Brilliant Epic and Success United. Accordingly, Brilliant Epic and Mr. Suen were deemed to be interested in 315,990,132 Shares held by Success United under the SFO.

The interests of Mr. Suen, Brilliant Epic and Success United in 315,990,132 Shares referred to in the note above related to the same parcel of Shares.

Save as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any persons who had an interest and short position in the Shares, underlying Shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register to be kept by the Company under section 336 of the SFO.

3. DISCLOSURE OF DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in the assets which had been, since 31 December 2023, being the date to which the latest published audited consolidated accounts of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was significant in relation to the businesses of the Group.

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any of its subsidiaries which does not expire or is not determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective close associates had any interest in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group as required to be disclosed pursuant to the Hong Kong Listing Rules.

6. MATERIAL CONTRACTS

Save for the following, there were no material contracts (not being contracts entered into in the ordinary course of business) which had been entered into by any member of the Group within the two years immediately preceding the date of this circular and up to the Latest Practicable Date:

- (i) the Acquisition Agreement;
- (ii) the Disposal Agreement; and
- (iii) the conditional share transfer agreement dated 26 September 2023 entered into between Courage Marine as the vendor and Mr. Chang Hsiao-Yi (張曉翼) as the purchaser in relation to the disposal of all the issued shares in Courage Marine (HK) Company Limited at the consideration of RMB13,500,000 (equivalent to approximately US\$1,861,000).

7. LITIGATION

As at the Latest Practicable Date, neither the Company nor any other member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

8. EXPERTS AND CONSENTS

The following is the qualifications of the experts who have given opinion or advice contained in this circular:

Name	Qualifications
JP Assets Consultancy Limited	Independent qualified professional valuer
Moore CPA Limited	Certified Public Accountants

Each of the above experts has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or advice, and references to its name in the forms and context in which they respectively appear.

As at the Latest Practicable Date, the above experts: (i) did not have any shareholding in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (ii) did not have any direct nor indirect interest in any assets which had been, since 31 December 2023, being the date to which the latest published audited consolidated accounts of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

9. CORPORATE INFORMATION OF THE COMPANY

Registered office:	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Principal place of business in Hong Kong:	Room 1501, 15th Floor Great Eagle Centre 23 Harbour Road Wanchai Hong Kong
Principal share registrar and transfer office:	Conyers Corporate Services (Bermuda) Limited Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Hong Kong branch share registrar and transfer office:	Tricor Investor Services Limited 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
Singapore share transfer agent:	Unit Trust/Share Registration Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632
Company secretary:	Ms. Wang Yu, a chartered secretary, a chartered governance professional and a fellow of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Deputy company secretary: Ms. Lee Pih Peng, an advocate and solicitor of Singapore, a solicitor of England and Wales, an attorney-at-law of New York and a member of the Law Society of Singapore.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.courageinv.com) for a period of 14 days from the date of this circular:

- a. the Acquisition Agreement;
- b. the Disposal Agreement;
- c. valuation reports in respect of the Acquisition and Disposal as set out in Appendix II and Appendix III, respectively, of this circular;
- d. the unaudited pro forma financial information of the Group as set out in Appendix IV of this circular; and
- e. the written consents referred to in the section headed “EXPERTS AND CONSENTS” in this Appendix V.

NOTICE OF SGM



COURAGE INVESTMENT GROUP LIMITED 勇利投資集團有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1145)

(Singapore Stock Code: CIN)

NOTICE IS HEREBY GIVEN that the special general meeting (the “SGM”) of Courage Investment Group Limited (the “Company”) will be held at Plaza 3, Basement 3, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong and via video conference at Connection 1, Level 3, Amara Hotel, 165 Tanjong Pagar Road, Singapore 088539 at 11:00 a.m. on Thursday, 21 November 2024 for the purposes to consider and, if thought fit, pass (with or without amendments) the following resolutions:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (i) the Acquisition Agreement (as defined in the circular of the Company dated 1 November 2024 of which this notice forms part (“Circular”) (a copy of which has been produced in this meeting and marked “A” and initialled by the chairman of the meeting for identification purpose)) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (ii) the directors of the Company be and are hereby authorised to implement and take all such necessary steps and do all such acts and things and execute all such documents (including under seal, where applicable) which they consider necessary, desirable or expedient to give effect to the Acquisition (as defined in the Circular) and to agree with such variation, amendment or waiver with respect to the Acquisition Agreement as, in the opinion of the directors, in the interests of the Company and its shareholders as a whole.”

2. “**THAT:**

- (i) the Disposal Agreement (as defined in the circular of the Company dated 1 November 2024 of which this notice forms part (“Circular”) (a copy of which has been produced in this meeting and marked “B” and initialled by the chairman of the meeting for identification purpose)) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and

NOTICE OF SGM

- (ii) the directors of the Company be and are hereby authorised to implement and take all such necessary steps and do all such acts and things and execute all such documents (including under seal, where applicable) which they consider necessary, desirable or expedient to give effect to the Disposal (as defined in the Circular) and to agree with such variation, amendment or waiver with respect to the Disposal Agreement as, in the opinion of the directors, in the interests of the Company and its shareholders as a whole.”

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

Hong Kong and Singapore, 1 November 2024

Principal place of business in Hong Kong:
Room 1501, 15th Floor
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Notes:

1. A Hong Kong Proxy Form (for shareholders in Hong Kong), a Singapore Proxy Form (for shareholders in Singapore) or a Depositor Proxy Form (for depositors who hold shares through an account with The Central Depository (Pte) Limited (“CDP”) (the “**Depositor(s)**”)) is enclosed herewith.
2. The shareholders of the Company (the “**Shareholder(s)**”) are entitled to attend and vote at the SGM and for a Shareholder who holds two or more shares of the Company, he/she/it is entitled to appoint not more than two proxies to attend and vote on his/her/its behalf provided that if the Shareholder is CDP or a clearing house (or its nominee(s)), CDP or the clearing house (or its nominee(s)) (as the case may be) may appoint more than two proxies to attend and vote at the SGM and each proxy shall be entitled to exercise the same powers on behalf of CDP or the clearing house (or its nominee(s)) could exercise. A proxy need not be a Shareholder of the Company. The appointment of a proxy by a Shareholder does not preclude him/her/it from subsequently attending and voting at the SGM or any adjourned meeting if he/she/it so wishes and in such event, the instrument appointing the proxy shall be deemed to be revoked.
3. A Shareholder in Hong Kong who wishes to appoint a proxy should complete and sign the enclosed Hong Kong Proxy Form and return it to the office of the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than forty-eight (48) hours before the time appointed for holding of the SGM or any adjournment thereof.
4. A Shareholder in Singapore who wishes to appoint a proxy should complete the enclosed Singapore Proxy Form. Thereafter, the Singapore Proxy Form must be lodged at the office of the Company’s Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or by email to srs.teamc@boardroomlimited.com, not less than forty-eight (48) hours before the time appointed for holding of the SGM or any adjourned meeting.
5. For the avoidance of doubt, the Singapore Proxy Form should not be used by Depositors. Depositors who wish to appoint a proxy should refer to paragraph 6 below.

NOTICE OF SGM

6. (i) A Depositor which is a corporation or (ii) an individual Depositor who wishes to appoint a proxy, should complete, sign and return the Depositor Proxy Form in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive the office of the Company's Singapore share transfer agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 or by email to srs.teamc@boardroomlimited.com, not less than forty-eight (48) hours before the time appointed for holding of the SGM or any adjourned meeting.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or by his/her/its attorney duly authorised in writing. If a Shareholder or Depositor is a corporation, the instrument appointing a proxy must be executed under seal or the hand of its duly authorised officer or attorney.
8. For Shareholders in Hong Kong, in order to be eligible to attend and vote at the SGM, all unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 14 November 2024.
9. Where there are joint holders of any share(s) of the Company, any one of such joint holders may vote, either personally or by proxy, in respect of such share(s) as if he/she/it were solely entitled thereto, but if more than one of such joint holders attend the SGM, whether personally or by proxy, the vote of the joint registered holder so attend whose name stands first on the register of members in respect of such share(s) shall be accepted to the exclusion of the votes of the other registered holders.
10. In case of Typhoon Signal no. 8 or above is hoisted, or a Black Rainstorm Warning Signal or "extreme conditions" caused by a super typhoon announced by the Government is/are in force in Hong Kong at or at any time after 6:00 a.m. on the date of the SGM, the SGM will be adjourned. The Company will post an announcement on the website of the Company, The Stock Exchange of Hong Kong Limited and Singapore Exchange Securities Trading Limited to notify Shareholders of the date, time and place of the adjourned meeting.
11. As at the date of this notice, the Board of Directors of the Company comprises four Executive Directors, namely, Mr. Sue Ka Lok (Chairman), Ms. Lee Chun Yeung, Catherine (Chief Executive Officer), Ms. Wang Yu and Mr. Wu Ying Ha; and three Independent Non-executive Directors, namely Mr. Zhou Qijin, Mr. Pau Shiu Ming and Mr. Tsao Hoi Ho.