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)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The Board of Directors (the "**Board**" or the "**Director(s)**") of Courage Investment Group Limited (the "**Company**") hereby announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2024 together with comparative figures as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

		2024	2023
	Notes	***US$'000***	*US$'000*
Revenue			
Marine transportation income		**9,183**	8,449
Interest income		**–**	63
Total revenue	*4*	**9,183**	8,512
Direct expenses		**(6,040)**	(6,219)
Other income		**1,111**	672
Other losses		**–**	(147)
Administrative expenses		**(2,336)**	(1,563)
Impairment loss reversed (recognised) on vessels	*11*	**91**	(1,008)
Allowance for credit losses on debt instruments at fair value through other comprehensive income, net	*12*	**(389)**	(1,146)
Gain (loss) on disposal of subsidiaries	*18*	**106**	(2,100)

	Notes	**2024**	2023
		US$'000	*US$'000*
Share of result of a joint venture		**–**	(788)
Finance costs	*6*	**(20)**	(187)
Profit (loss) before tax	*7*	**1,706**	(3,974)
Income tax expense	*8*	**–**	–
Profit (loss) for the year attributable to owners of the Company		**1,706**	(3,974)
Other comprehensive income (expense)			
Items that may be reclassified subsequently to profit or loss:			
Net decrease in fair value of debt instruments at fair value through other comprehensive income		**–**	(1,219)
Allowance for credit losses on debt instruments at fair value through other comprehensive income, net	*12*	**–**	1,146
Exchange difference arising on translation of financial statements of the foreign operation of a joint venture		**–**	(163)
Reclassification of cumulative exchange reserve upon disposal of the foreign operation of a joint venture	*18*	**–**	170
Other comprehensive expense for the year, net of income tax		**–**	(66)
Total comprehensive income (expense) for the year attributable to owners of the Company		**1,706**	(4,040)
Basic earnings (loss) per share attributable to owners of the Company (US cent)	*9*	**0.16**	(0.36)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

	Notes	**2024**	2023
		US$'000	*US$'000*
Non-current assets			
Property, plant and equipment	*11*	**40,139**	39,733
Right-of-use asset		**8**	105
Debt instruments at fair value through other comprehensive income	*12*	**–**	389
		40,147	40,227
Current assets			
Trade receivables	*13*	**–**	323
Other receivables and prepayments	*14*	**722**	635
Bank deposits		**14,681**	16,535
Cash and cash equivalents		**4,257**	1,314
		19,660	18,807
Total assets		**59,807**	59,034

	Notes	**2024** US$'000	2023 US$'000
Current liabilities			
Deposits received, other payables and accruals	*15*	**775**	1,072
Contract liabilities		**219**	–
Borrowings – due within one year	*16*	**–**	756
Lease liabilities		**9**	99
		1,003	1,927
Net current assets		**18,657**	16,880
Total assets less current liabilities		**58,804**	57,107
Capital and reserves			
Share capital		**1,098**	1,098
Reserves		**57,706**	56,000
Total equity		**58,804**	57,098
Non-current liabilities			
Lease liabilities		**–**	9
Total liabilities and equity		**59,807**	59,034

Notes:

1. General information

The Company (Registration No. 36692) was incorporated in Bermuda on 5 April 2005 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. Its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is at Room 1501, 15th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. The Company is primarily listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") and secondarily listed on the Main Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The consolidated financial statements are presented in United States dollar ("**US$**"), which is the functional currency of the Company, and all values are rounded to the nearest thousand (US$'000) where appropriate or as indicated.

2. Application of new and amendments to IFRS Accounting Standards ("IFRSs")

Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("**IASB**") for the first time, which are mandatorily effective for the annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years.

New and amendments to IFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IAS 21	Lack of Exchangeability[2]
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[3]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[3]
IFRS 18	Presentation and Disclosure in Financial Statements[4]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2025.
[3] Effective for annual periods beginning on or after 1 January 2026.
[4] Effective for annual periods beginning on or after 1 January 2027.

IFRS 18 introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss, provide disclosures on management-defined performance measures (MPMs) in the notes to the consolidated financial statements, and improve aggregation and disaggregation. The application of IFRS 18 is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

Other than the above, the directors of the Company anticipate that the application of these new and amendments to IFRSs will have no material impact on the Group's consolidated financial statements in the foreseeable future.

3. Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with IFRSs issued by IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "**Hong Kong Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4. Revenue

Disaggregation of revenue from contracts with customers

2024

	Marine transportation *US$'000*	**Investment holding** *US$'000*	**Total** *US$'000*
Type of services:			
Marine transportation	**8,060**	**–**	**8,060**
Revenue from contracts with customers	**8,060**	**–**	**8,060**
Leases	**1,123**	**–**	**1,123**
Total revenue	**9,183**	**–**	**9,183**

2023

	Marine transportation *US$'000*	Investment holding *US$'000*	Total *US$'000*
Type of services:			
Marine transportation	6,819	–	6,819
Revenue from contracts with customers	6,819	–	6,819
Leases	1,630	–	1,630
Interest income from debt instruments at fair value through other comprehensive income ("**FVTOCI**")	–	63	63
Total revenue	8,449	63	8,512

5. Segment information

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the executive directors and chief executive of the Company, being the chief operating decision makers, for the purposes of resources allocation and assessment of segment performance. This is also the current basis of organisation in the Group, whereby the management organises the Group based on different operating activities.

Specifically, the Group's reportable and operating segments are as follows:

1. Marine transportation
2. Investment holding
3. Property holding and investment
4. Merchandise trading

Segment results represent the profit/loss from each segment without allocation of corporate income, corporate expenses, impairment loss reversed/recognised on vessels, gain/loss on disposal of subsidiaries, share of result of a joint venture and finance costs. Net allowance for credit losses on debt instruments at FVTOCI is included in the result of investment holding segment.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

2024

	Marine transportation *US$'000*	**Investment holding** *US$'000*	**Property holding and investment** *US$'000*	**Total** *US$'000*
Segment revenue	**9,183**	**–**	**–**	**9,183**
Segment results	**3,097**	**(389)**	**(1)**	**2,707**
Unallocated:				
Corporate income				**787**
Corporate expenses				**(1,965)**
Impairment loss reversed on a vessel				**91**
Gain on disposal of a subsidiary				**106**
Finance costs				**(20)**
Profit before tax				**1,706**

2023

	Marine transportation *US$'000*	Investment holding *US$'000*	Property holding and investment *US$'000*	Total *US$'000*
Segment revenue	8,449	63	–	8,512
Segment results	2,227	(1,186)	(7)	1,034
Unallocated:				
Corporate income				636
Corporate expenses				(1,561)
Impairment loss recognised on vessels				(1,008)
Loss on disposal of subsidiaries				(2,100)
Share of result of a joint venture				(788)
Finance costs				(187)
Loss before tax				(3,974)

Information about major customers

Revenue arising from customers individually contributing over 10% of the total revenue of the Group are related to marine transportation segment and are disclosed as follows:

	2024	2023
	US$'000	*US$'000*
Customer A	**4,727**	6,819
Customer B	**3,039**	–
Customer C	**1,123**	1,630

6. Finance costs

	2024	2023
	US$'000	*US$'000*
Interest expenses from borrowings	**17**	180
Interest on lease liabilities	**3**	7
	20	187

7. Profit (loss) before tax

Profit (loss) before tax has been arrived at after charging (crediting) the following items:

	2024	2023
	US$'000	*US$'000*
Auditor's remuneration		
– Audit services	**144**	144
– Non-audit services	**3**	3
	147	147
Employee benefits expenses (including directors' emoluments):		
– Salaries and other benefits	**887**	773
– Contributions to retirement benefits scheme	**36**	29
	923	802
Marine crew expenses	**1,936**	2,381
Depreciation of property, plant and equipment	**2,098**	2,042
Depreciation of right-of-use asset	**97**	100
Interest income from banks	**(776)**	(612)

8. Income tax expense

There was no assessable profit arising in Hong Kong for the years ended 31 December 2024 and 2023. In the opinion of the directors of the Company, there is no taxation arising in other jurisdictions.

9. Earnings (loss) per share

The calculation of basic earnings (loss) per share attributable to owners of the Company is based on the following data:

	2024	2023
	US$'000	*US$'000*
Earnings (loss)		
Profit (loss) for the year attributable to owners of the Company	**1,706**	(3,974)

	2024	2023
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares in issue during the year	**1,097,704**	1,097,704

For the years ended 31 December 2024 and 2023, no diluted earnings (loss) per share is presented as there were no dilutive potential ordinary shares outstanding during both years.

10. Dividend

During the year ended 31 December 2024, no dividend was paid, declared or proposed (2023: nil), nor has any dividend been proposed by the directors of the Company since the end of reporting period.

11. Property, plant and equipment

During the year ended 31 December 2024, the Baltic Dry Index ("**BDI**"), an index that was closely correlated to market freight rate, continued to be volatile and gave an indication that conducting an impairment assessment on the recoverable amount of the Group's vessels was warranted.

The fair value of the Group's vessels were determined based on the valuation carried out by JP Assets Consultancy Limited, an independent qualified professional valuer not connected to the Group, and the market approach was principally adopted for the valuation as there was a known market for used vessels. The fair value of the vessels were primarily determined based on the direct comparison method by making reference to the recent sale transactions of similar vessels with similar age and condition (Level 2 fair value hierarchy).

At 31 December 2024, the fair value less costs of disposal of a vessel (2023: two vessels) was determined with reference to prevailing market conditions (including second-hand prices and freight rate of similar vessels) and amounted to US$14,108,000 (2023: US$28,919,000). As such, an impairment loss on the vessel of US$91,000 was reversed in profit or loss as the recoverable amount of the vessel was higher than its carrying amount before impairment (2023: an impairment loss on vessels of US$1,008,000 was recognised in profit or loss as the recoverable amount of vessels were lower than their individual carrying amount before impairment).

12. Debt instruments at fair value through other comprehensive income

During the year ended 31 December 2024, these debt instruments were written off as they had defaulted for interest payments and/or principal repayments. During the year ended 31 December 2023, a net allowance for credit losses on debt instruments at FVTOCI of US$1,146,000 was recognised in profit or loss with a corresponding adjustment to other comprehensive income.

13. Trade receivables

Trade receivables arose from the marine transportation business and aged within 30 days based on the invoice date. The credit periods for customers of time charter are from 0 day to 30 days. At 31 December 2023, none of the Group's trade receivables were past due nor impaired and all were subsequently settled.

14. Other receivables and prepayments

	2024	2023
	US$'000	*US$'000*
Other receivables	**558**	481
Account balances with brokers	**10**	10
Prepayments and other deposits for operating expenses	**154**	144
	722	635

15. Deposits received, other payables and accruals

	2024	2023
	US$'000	*US$'000*
Accrued expenses and other payables for operations	**625**	337
Deposits received from lessee of vessel	**150**	735
	775	1,072

16. Borrowings

During the year ended 31 December 2024, the loans were fully repaid and no assets were pledged by the Group.

At 31 December 2023, the loans were carrying interest at Secured Overnight Financing Rate plus certain basis points and the effective interest rate is 8.65% to 9.46% per annum. The outstanding loans at 31 December 2023 were repayable within one year.

The borrowings at 31 December 2023 were secured by a corporate guarantee from the Company, a first preferred mortgage over the vessels held by Heroic Marine Corp. and Polyworld Marine Corp., named MV Heroic and MV Polyworld respectively amounting to an aggregate carrying amount of US$25,574,000; and an assignment of insurance proceeds in respect of vessels MV Heroic and MV Polyworld.

17. Acquisition of a subsidiary

During the current year, the Group has acquired the entire interest in Poly Odyssey Marine Corp., which paid a deposit for the acquisition of a vessel at the date of acquisition, from an independent third party at a cash consideration of US$1,503,000 and such acquisition is accounted for as an asset acquisition. The acquisition of the vessel has been completed during the current year.

Net assets acquired and recognised at the date of acquisition were as follows:

	US$'000
Deposit paid for acquisition of property, plant and equipment	**1,503**
Cash and cash equivalents	**2**
Other payables	**(2)**
	1,503
Net cash outflow arising on acquisition of a subsidiary:	
Net cash consideration paid	**(1,503)**
Cash and cash equivalents acquired	**2**
Net cash outflow on acquisition	**(1,501)**

18. Disposal of subsidiaries

For the year ended 31 December 2024

During the current year, the Group disposed of its entire interest in Zorina Navigation Corp. to an independent third party at a cash consideration of US$13,800,000.

The net assets of Zorina Navigation Corp. at the date of disposal were as follows:

	US$'000
Property, plant and equipment	**13,649**
Other receivables and prepayments	**64**
Other payables and accruals	**(19)**
	13,694
Cash consideration received	**13,800**
Gain on disposal of a subsidiary	**106**
Cash inflow arising on disposal of a subsidiary:	
Cash consideration received and cash inflow on disposal	**13,800**

For the year ended 31 December 2023

During the prior year, the Group disposed of its interest in a joint venture through a disposal of a subsidiary to an independent third party at a cash consideration of Renminbi 13,500,000 (approximately of US$1,861,000 at the date of transaction).

The consolidated net assets of the aforementioned subsidiary at the date of disposal were as follows:

	US$'000
Interest in a joint venture	3,064
Amount due from a joint venture	669
	3,733
Cash consideration received, net	1,803
Reclassification of cumulative exchange reserve	(170)
Net assets disposed of	(3,733)
Loss on disposal of subsidiaries	(2,100)
Net cash inflow arising on disposal of subsidiaries:	
Net cash consideration received and net cash inflow on disposal	1,803

19. Event after the reporting period

Subsequent to the end of the reporting period, China Mark Limited, a limited company incorporated in Hong Kong which is wholly-owned by Ms. Liu Sainan, become the immediate and ultimate holding company of the Company.

FINAL DIVIDEND

The Board has resolved not to declare a final dividend for the year ended 31 December 2024 (2023: nil).

BUSINESS REVIEW

During the year ended 31 December 2024 ("**FY2024**"), the Group continued to principally engage in the business of marine transportation, investment holding, property holding and investment, and merchandise trading.

Overall, in comparison to 2023, the market fundamentals for the Group's shipping business showed improvement, primarily driven by the global economic recovery, which boosted demand for dry bulk commodities. At the same time, vessel supply was constrained by various factors, and the Red Sea Crisis further exacerbated the global shortage of shipping capacity, contributing to the rise in market freight rates. For FY2024, the Group reported an increase in revenue by 8% to US$9,183,000 (2023: US$8,512,000), mainly due to the increase in revenue of the marine transportation business, and recorded a profit attributable to owners of the Company of US$1,706,000 (2023: loss of US$3,974,000). Basic earnings per share was US0.16 cent (2023: basic loss per share of US0.36 cent).

Marine transportation

For FY2024, the revenue of the Group's marine transportation business increased by 9% to US$9,183,000 (2023: US$8,449,000), while its profit increased by 39% to US$3,097,000 (2023: US$2,227,000). The increases in revenue and profit of the operation were mainly attributable to the general improvement in market conditions and the considerable increase in freight rates for dry bulk vessels, which were in turn largely the results of the increased global demand for commodity and the reduced vessel supply caused by the disruptions in the Panama and Suez Canals.

During FY2024, the freight rates charged by the Group's vessels were in general higher than last year, which were in line with the movements of the BDI, an index closely correlated to the market freight rate. During the year, the BDI remained volatile by reaching its peak of about 2,400 points in March 2024, hitting its low of about 1,000 points in December 2024, hovering between the 1,500 to 2,000 points level for much of the year, and was considerably higher than the 1,000 to 2,000 points level in 2023. Although the market freight rates fluctuated considerably during the year, as global trading activities have increased alongside the recovery and growth of the global economy, the Group remains prudently optimistic about the prospects of the marine transportation business in the medium to long term.

During FY2024, the Group disposed one of its dry bulk Supramax vessels named "Zorina" and acquired a second-hand dry bulk Supramax vessel. Please refer to the section headed "Major Acquisition and Disposal" for details. The carrying capacity of the Group's dry bulk fleet, which currently comprises three Supramax size vessels, is approximately 171,000 dwt.

At 31 December 2024, with reference to the prevailing market conditions (including second-hand prices of similar vessels in terms of country of built, tonnage and age and market freight rate), an impairment loss on a vessel of US$91,000 was reversed (2023: an impairment loss on vessels of US$1,008,000 was recognised) for the year.

Major Acquisition and Disposal

On 13 September 2024, the Group entered into an agreement for acquisition of the entire issued share capital of and the shareholder's loan to a company (the "**Acquired Company**") at a maximum consideration of US$15,450,100 (the "**Acquisition**"). The Acquisition was completed on 22 November 2024 and immediately after completion of the Acquisition, the Acquired Company which held the contractual rights under a memorandum of agreement to purchase a second-hand dry bulk vessel named "Diva" (the "**Acquisition of Vessel**") at a purchase price of US$14,750,000, has become a wholly-owned subsidiary of the Company and the Acquisition of Vessel was subsequently completed on 27 December 2024. For details of the Acquisition and the Acquisition of Vessel, please refer to (i) the announcements of the Company dated 13 September 2024, 22 November 2024 and 27 December 2024 and (ii) the circular of the Company dated 1 November 2024.

On 13 September 2024, the Group entered into an agreement for disposal of the entire issued share capital of and the shareholder's loan to an indirect wholly-owned subsidiary of the Company (the "**Disposal Company**") at a disposal price of US$13,800,000 (the "**Disposal**") where the sole asset of the Disposal Company was a dry bulk vessel named "Zorina". The Disposal was completed on 25 November 2024. For details of the Disposal, please refer to (i) the announcements of the Company dated 13 September 2024 and 25 November 2024 and (ii) the circular of the Company dated 1 November 2024.

Investment holding

During FY2024, no revenue (2023: US$63,000) was recognised for the Group's investment holding business but with a segment loss of US$389,000 (2023: US$1,186,000). For the year ended 31 December 2023, the revenue of the business represented interest income from corporate bonds. For the year ended 31 December 2024, the loss incurred represented mainly the recognition of net allowance for credit losses on debt instruments (i.e., corporate bonds) at FVTOCI of US$389,000 (2023: US$1,146,000). The recognition of credit losses represented a further deterioration of the financial position of the issuers of the corporate bonds held by the Group. These bond issuers are all property companies based in the Mainland with their credit ratings being withdrawn or downgraded by the credit rating agencies, and the bonds held by the Group at the year end were in default status due to non-payments of interest and/or principal.

As the Group expected the uncertainties of the financial position of these bond issuers would ultimately affect the collection of contractual cash flows from their bonds, an allowance for credit losses on debt instruments at FVTOCI of US$389,000 (2023: US$1,146,000), which mainly reflected the further increase in credit risks of these bonds, was recognised during the year. The Group had performed an impairment assessment on these debt instruments under the expected credit losses ("**ECL**") model. The measurement of ECL is a function of the probability of default and the loss given default (i.e., the magnitude of the loss if there is a default), and the assessment of the probability of default and loss given default is based on historical data and forward-looking information. In determining the ECL on the Group's debt instruments, the management had taken into account factors including the withdrawal or downgrading of credit rating of the bond issuers by the credit rating agencies, the defaults of the bond issuers in their payments of interest and/or principal, and forward-looking information including the future macroeconomic conditions affecting the operations of the bond issuers.

During FY2024, the Group had not made any new investments in corporate bonds.

Property holding and investment

During FY2024, the Group was not holding any investment property and no revenue (2023: nil) was recognised. The loss of US$1,000 (2023: US$7,000) was administrative costs of the operation. The Group has been looking for acquisition of high rental yield and/or great appreciation potential investment property opportunities.

Merchandise trading

During FY2024, as market conditions continued to be volatile, the Group did not engage in merchandise trading business and no revenue (2023: nil) or profit or loss (2023: nil) was recognised. The management remains striving to resume the Group's merchandise trading business in the future.

Share of result of a joint venture

In September 2023, the Group entered into an agreement to dispose of a subsidiary that held an indirect holding of 41.7% equity interest in a joint venture, which in turn held an industrial property in Shanghai, China. The disposal of the subsidiary was completed in October 2023. For the year ended 31 December 2023, the loss of the joint venture shared by the Group amounted to US$788,000 and was mainly related to the decrease in fair value of the aforementioned industrial property.

OVERALL RESULTS

For FY2024, the Group recorded a profit attributable to owners of the Company of US$1,706,000 (2023: loss of US$3,974,000) and a total comprehensive income attributable to owners of the Company of US$1,706,000 (2023: expense of US$4,040,000). Such turnaround of the Group's results is mainly attributed to (i) an increase in profit contribution from the Group's marine transportation operation to US$3,097,000 (2023: US$2,227,000); (ii) a gain on disposal of a subsidiary of US$106,000 (2023: a loss of US$2,100,000); (iii) an impairment loss reversed on a vessel of US$91,000 (2023: an impairment loss recognized on vessels of US$1,008,000); (iv) an absence of loss of a joint venture shared by the Group (2023: US$788,000); and (v) a decrease of an allowance for credit losses on debt instruments at FVTOCI to US$389,000 (2023: US$1,146,000).

FINANCIAL REVIEW

Liquidity, financial resources and capital structure

During FY2024, the Group financed its operation mainly by cash generated from operations as well as shareholders' funds. At 31 December 2024, the Group had current assets of US$19,660,000 (2023: US$18,807,000) and liquid assets comprising bank deposits and cash and cash equivalents totalling US$18,938,000 (2023: US$17,849,000). The Group's current ratio, calculated based on current assets over current liabilities of US$1,003,000 (2023: US$1,927,000), was at a strong ratio of about 19.60 (2023: 9.76) at the year end. The significant increase in current ratio was mainly the combined effect of an increase in profit contribution from the Group's marine transportation operation to US$3,097,000 during the year, which in turn led to the increase in bank balances and the loans were fully repaid during the year, which in turn led to the decrease in borrowings.

At 31 December 2024, the equity attributable to owners of the Company amounted to US$58,804,000 (2023: US$57,098,000), increased by US$1,706,000 when compared with the last year end and was mainly a result of the profit earned by the Group of US$1,706,000 (2023: loss incurred of US$3,974,000).

The Group's borrowings represented loans from a financial institution and were fully repaid during FY2024. At 31 December 2023, such borrowings were mainly applied for financing the holding of vessels, and were all due within one year, denominated in United States dollars, bore interests at floating rates, and secured by two vessels owned by the Group.

For FY2024, the Group's finance costs of US$20,000 (2023: US$187,000) represented mainly interests for the borrowings, finance costs decreased by 89% was mainly a result of the full repayment of borrowings during the year.

At 31 December 2024, the Group's gearing ratio was zero. At 31 December 2023, such ratio, calculated on the basis of total borrowings of US$756,000 divided by total equity of US$57,098,000, was at a low ratio of about 1%.

The Group's interest income from banks increased by 27% to US$776,000 (2023: US$612,000) over last year, mainly resulted from additional surplus funds on hand.

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirement.

Use of proceeds from the Open Offer

In January 2021, the Company successfully raised US$9,148,000 before expenses by way of an open offer of 548,851,784 offer shares (with aggregate nominal value of US$548,851.784) at the subscription price of HK$0.13 per offer share (the closing price of the Company's shares was HK$0.193 on the day when the subscription price was fixed) on the basis of one offer share for every one share of the Company held on the record date (the "**Open Offer**"). The net proceeds from the Open Offer were US$8,621,000 (equivalent to a net subscription price of approximately HK$0.12 per offer share), of which a sum of US$2,821,000 was utilised as intended to repay a bank revolving loan to achieve immediate saving in finance costs, whilst the remainder of the net proceeds of US$5,800,000 was earmarked as working capital for the Group's marine transportation business. As opposed to the original intention to apply approximately 50% of the remainder of the proceeds to its marine transportation business, approximately 40% to its investment holding business and approximately 10% to its merchandise trading business as working capital, the net proceeds from the Open Offer were not applied as working capital for the Group's merchandise trading and investment holding businesses as the Group was not active in its merchandise trading and investment activities primarily owing to the adverse economic impact brought by the prolonged continuation of the COVID pandemic. The Company had therefore earmarked the remaining net proceeds of US$5,800,000 as working capital for the Group's marine transportation business before any acquisition of a vessel is proceeded with. However, upon completion of the Acquisition of Vessel on 27 December 2024, the net proceeds of US$5,800,000 have been fully utilized.

PROSPECTS

The Group maintains a cautiously optimistic view over the prospects of marine transportation business in medium to long term. The global economic recovery, particularly the growth in emerging markets, has driven demand for bulk commodities. Transportation demand for iron ore, coal, grains, and construction materials is expected to maintain steady growth, providing momentum for the dry bulk shipping market. However, the industry also faces challenges, including geopolitical uncertainties, fuel price fluctuations, and uneven global economic recovery, which may lead to short-term volatility.

The Board is striving to explore various means in fostering diversified sources of income to minimize cyclical impact of fleet demands to enhance a sustainable long-term growth of the Group.

The Group will continue to adhere to a prudent business philosophy, focusing on cost reduction and efficiency improvement while enhancing vessel management standards. At the same time, the Group will actively address challenges, seize opportunities, and explore potential investment and acquisition opportunities, with the aim of bringing long-term benefits to shareholders.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules for the year ended 31 December 2024, except for the following deviations with reasons as explained:

Chairman and chief executive

Code Provision C.2.1

Code Provision C.2.1 of the Corporate Governance Code requires the roles of the chairman and chief executive should be separate and should not be performed by the same individual.

Deviation

The Company had deviated from Code Provision C.2.1 since 22 November 2024 as the position of Chairman of the Board had been left vacant following the resignation of Mr. Sue Ka Lok as Executive Director and Chairman of the Board of the Company on 22 November 2024. Ms. Lee Chun Yeung, Catherine acted as the Chief Executive Officer of the Company and is responsible for overseeing the day-to-day operations of the Group and implement the strategies and policies approved by the Board.

Notwithstanding the deviation, the overall direction and strategy of the businesses of the Group are decided by the agreement of the Board; and the three Executive Directors of the Company collectively provide overall leadership to the Board. There are also three Independent Non-executive Directors on the Board offering independent and differing perspectives. The Board is therefore of the view that there are adequate balance of power and safeguards in place to enable the Company to make and implement decisions promptly and effectively.

The Board will review the current structure of the Board from time to time and should a candidate with suitable knowledge, skills and experience be identified, the Company will make appointment to fill the position of the Chairman as appropriate.

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 December 2024 have been reviewed by the Audit Committee of the Company and are duly approved by the Board under the recommendation of the Audit Committee.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 7 March 2025. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2024, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board
Courage Investment Group Limited
Lee Chun Yeung, Catherine
Chief Executive Officer

Hong Kong, 7 March 2025

As at the date of this announcement, the Board comprises three Executive Directors, namely 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.