OTTO MARINE LIMITED

(Company Registration Number 197902647M)
(Incorporated with limited liability in the Republic of Singapore on 5 September 1979)

MEDIA RELEASE – FOR IMMEDIATE RELEASE

Otto Marine enters into a MOU with renowned Port Operator to explore potential development of a Fabrication & Marine Facility

- **The partnership will enhance Otto Marine's Batam yard facility and is expected to be operational by July 2017**
- **Strategically located, the supply base is in close proximity to Singapore and will provide an avenue to tap on the robust Indonesian oil and gas industry as well as leverage on cabotage opportunities**
- **The Partner is one of the world's largest integrated port operator providing marine and logistics services**
- **The MOU is Non-Binding and is subject to the definitive agreement to be entered by the respective boards and authorities' approval**

Singapore, 11 January 2016 – Otto Marine Limited, ("**Otto Marine**" or the "**Group**"), a leading offshore marine company that specializes in building complex offshore support vessels, ship chartering and offers specialized offshore services, is pleased to announce that its wholly-owned subsidiary, Otto Marine Shipyard Pte Ltd ("**Otto Shipyard**"), has entered into a Memorandum Of Understanding ("**MOU**") with a world-renowned Port Operator ("**Port Operator**") to explore the potential development of a Fabrication and Marine Facility (the "**Proposed Development**").

Proposed Development and Operations

The Proposed Development is strategically located in close proximity to Singapore and to the South East Asia region oil and gas fields. Otto Shipyard currently operates a 65 hectare shipyard through its sister company PT. Batamec. The Proposed Development will use a fraction of the yard space and is not expected to cause any disruption on PT. Batamec's existing shipyard facilities. The Proposed Development is expected to be fully operational by July 2017.

Commenting on the MOU, Mr. Michael See, Group CEO said:

"We are enthusiastic about this new partnership with a well-established company and we look forward to a smooth and fruitful collaboration. This is especially uplifting with the continued dreary conditions in the oil and gas industry. The Proposed Development will provide new avenues which will improve our overall competitiveness and give us an edge in the region.

We have strong capabilities in fabrication, ship repair and conversion and we have a healthy client base that has utilised our sophisticated offshore fabrication services over many years. Furthermore, being in Batam helps us obtain cabotage related business. For this upcoming fabrication and marine base, we can provide the above mentioned expertise along with infrastructural and labour support, and the local know-how. Adding value to this partnership, our partner brings to the table its world class experience and expertise in port management and a robust following of loyal and repeat customers as well.

With our combined expertise, I believe this venture will be highly beneficial to both sides in the long run."

About PT. Batamec

PT. Batamec was established in 1986 and its parent company is Otto Marine. PT. Batamec's shipyard is situated in the north-west of Batam Island Indonesia and its principal activities include shipbuilding, ship repair and conversion, steel fabrication and offshore oil and gas fabrication.

For more information, please visit PT. Batamec's website at http://www.batamec.com/

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About Otto Marine Limited (OTML.SP)

Otto Marine Limited ("Otto Marine" or the "Company") is an offshore marine group which owns and operates a large fleet of offshore support vessels and is engaged in specialized shipbuilding of offshore vessels for primarily Deep Sea applications. The shipbuilding includes ship repair and conversion.

Headquartered in Singapore, the Company owns/leases and operates 64 offshore vessels and one of the largest shipyards in Batam, Indonesia - one of the most sophisticated yards in Asia Pacific. The yard is building to ABS, DNV and Norwegian class standards. Its customers are primarily deep sea and offshore operators and equipment companies who provide logistics support and offshore services to companies operating globally in the oil and gas industry.

Otto Marine's specialized approach has allowed it to build up its expertise operating a large offshore fleet and through its shipyard constructing high specification deep sea and offshore support vessels. This quality and level of sophistication has enabled the Company - as one of the few in Asia - to gain recognition as a Marine Services company operating a large deepwater fleet of support vessels with its shipyard focusing on its fabrication, ship repair and building for local content requirements of its clients.

Otto Marine was successfully listed on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 28 November 2008. For more information, please visit the Company's website at http://www.ottomarine.com

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Issued for and on behalf of Otto Marine Limited

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