OCEAN INTERNATIONAL CAPITAL LIMITED
(Incorporated in the British Virgin Islands)
(Company Registration Number: 1912975)

OTTO MARINE LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 197902647M)

JOINT ANNOUNCEMENT

PROPOSED VOLUNTARY DELISTING OF OTTO MARINE LIMITED

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1. INTRODUCTION

1.1 The directors of the Company (***Directors***) of Otto Marine Limited (***Company***) refer to the holding announcements made by the Company on 2 June 2016 and 6 June 2016 in relation to a potential transaction (***Holding Announcements***).

1.2 The Company and Ocean International Capital Limited (***Offeror***) wish to jointly announce that the Offeror has on 6 June 2016 presented to the Directors, a proposal (***Delisting Proposal***) to seek the voluntary delisting of the Company (***Delisting***) from the Official List of the Singapore Exchange Securities Trading Limited (***SGX-ST***) pursuant to Rules 1307 and 1309 of the SGX-ST Listing Manual (***Listing Manual***).

1.3 Under the Delisting Proposal, RHB Securities Singapore Pte. Ltd. (***RHBSEC***), as the financial adviser to the Offeror, will make, for and on behalf of the Offeror, an exit offer in cash (***Exit Offer***), in accordance with the terms and subject to the conditions as set out in paragraph 7 below, to acquire:

(a) all the issued ordinary shares held by shareholders of the Company (***Shareholders***) in the capital of the Company (***Shares***) other than those Shares owned, controlled or agreed to be acquired by the Offeror; and

(b) all new Shares as may be issued prior to the close of the Exit Offer pursuant to the Otto Marine Share Award Scheme,

(collectively, ***Offer Shares***).

1.4 The satisfaction of the Pre-Condition (as defined in paragraph 4.4) is a condition to the Delisting Proposal. In this connection, the Directors have resolved to convene a Noteholders' Meeting (as defined in paragraph 4.2 to seek approval from the Noteholders (as defined in paragraph 4.2 to grant the approvals and waivers as set out in paragraph 4.4.

1.5 The Directors have reviewed the Delisting Proposal, noted the Exit Offer and have resolved to:

(a) make an application to the SGX-ST for approval of the Delisting; and

(b) subject to the approval of the SGX-ST, convene an extraordinary general meeting of the Company (***EGM***) in due course to seek the approval of the Shareholders in respect of the resolution for the Delisting (***Delisting Resolution***).

2. LISTING MANUAL PROVISIONS PERTAINING TO VOLUNTARY DELISTING

2.1 Under Rule 1307 of the Listing Manual, the SGX-ST may agree to an application by the Company to delist from the Official List of the SGX-ST if:

(a) the Company convenes an EGM to obtain Shareholders' approval for the Delisting;

(b) the Delisting Resolution has been approved by a majority of at least 75% of the total number of Shares excluding treasury shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM (for the avoidance of doubt, Directors and the

Controlling Shareholder (as defined in paragraph 6.2 below) need not abstain from voting on the Delisting Resolution); and

(c) the Delisting Resolution is not voted against by 10% or more of the total number of Shares excluding treasury shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

2.2 In addition, Rule 1309 of the Listing Manual requires that if the Company is seeking to delist from the SGX-ST:

(a) a reasonable exit alternative, which should normally be in cash, should be offered to all Shareholders and holders of any other classes of listed securities to be delisted; and

(b) the Company should normally appoint an independent financial adviser to advise on the Exit Offer.

3. RULINGS FROM THE SECURITIES INDUSTRY COUNCIL

An application was made by the Offeror to the Securities Industry Council (***SIC***) to seek clarification regarding the extent to which the provisions of the Singapore Code on Take-overs and Mergers (***Code***) applied to the Exit Offer. The SIC ruled and confirmed on 3 June 2016, *inter alia*, that:

3.1 the Exit Offer is exempted from compliance with the following provisions of the Code:

(a) Rule 20.1 to keep offer open for 14 days after it is revised;

(b) Rule 22 on offer timetable;

(c) Rule 28 on acceptances; and

(d) Rule 29 on the right of acceptors to withdraw their acceptances,

subject to:

(A) the Exit Offer remaining open for at least:

(I) 21 days after the date of the despatch of the letter to Shareholders setting out the terms and conditions of the Exit Offer (***Exit Offer Letter***) if the Exit Offer Letter is despatched after Shareholders' approval for the Delisting has been obtained; or

(II) 14 days after the date of the announcement of Shareholders' approval of the Delisting if the Exit Offer Letter is despatched on the same date as the circular sent to all Shareholders for the purpose of convening the EGM to obtain Shareholders' approval for the Delisting (***Circular***); and

(B) disclosure in the Circular of:

(I) the consolidated net tangible assets (***NTA***) per share of the group comprising the Company, its subsidiaries and associated companies (***Group***) based on the latest published accounts prior to the date of the Circular; and

(II) particulars of all known material changes as of the latest practicable date which may affect the consolidated NTA per share referred to in the paragraph above or a statement that there are no such known material changes;

3.2 the Irrevocable Undertakings (as defined in paragraph 7.5) contemplated therein to be provided to the Offeror do not constitute "special deals" under Rule 10 of the Code.

3.3 Datuk Seri Yaw Chee Siew is exempted from the requirement to make a recommendation on the Exit Offer to Shareholders.

4. PROPOSED LOAN

4.1 In 2010, Otto Marine Services Pte. Ltd. (***OMSPL***), a wholly-owned subsidiary of the Company, established a S$500 million multicurrency term note programme (***MTN Programme***) of which the Company is the guarantor and which gives OMSPL the flexibility to issue notes (***Notes***) from time to time in series or tranches. As at the date (***Joint Announcement Date***) of this joint announcement (***Joint Announcement***), OMSPL has issued S$70,000,000 Series 002 7% notes due 2016 (***2016 Notes***) which have a maturity date of 1 August 2016 (***2016 Notes Maturity Date***). The Controlling Shareholder (defined in paragraph 6.2) has an interest in S$2,000,000 of the 2016 Notes representing 2.86% of the principal amount outstanding under the 2016 Notes (***Yaw Notes***).

4.2 Under Condition 5(j) of the Terms and Conditions of the 2016 Notes, in the event that the shares of the Company cease to be traded on the SGX-ST or trading in the shares of the Company is suspended for a continuous period of more than 14 market days (other than by reason of holiday, statutory or otherwise and excluding days on which traded on the SGX-ST is suspended generally), OMSPL, being the issuer of the Notes, shall at the option of the holders of the 2016 Notes (***Noteholders***), redeem the principal outstanding on the Notes together with interest thereon. Any modifications or waivers to the terms and conditions of the 2016 Notes have to be approved by Noteholders at a Noteholders' meeting (***Noteholders' Meeting***).

4.3 In recognition that Noteholders' consent as set out in paragraph 4.4 is a Pre-Condition to the Company's application to the SGX-ST for approval of the Delisting, the Controlling Shareholder will procure a letter of undertaking from the Offeror or an entity acceptable to both the Company and the Controlling Shareholder (after consultation with the arrangers of the 2016 Notes) to be given to the trustee of the 2016 Notes for the benefit of the Noteholders to ensure that the 2016 Notes will be redeemed after and subject to the successful completion of the Delisting. The Controlling Shareholder and RHB Bank Berhad, Singapore Branch (***RHB Bank***) has entered into an arrangement for RHB Bank to extend a conditional loan for the purpose of redeeming in full the 2016 Notes (***Proposed Loan***). The Proposed Loan is subject to RHB Bank's internal formal approvals. In addition, the Offeror intends to create a charge over all the Shares to be acquired by the Offeror pursuant to the Exit Offer, as security for the Proposed Loan in favour of RHB Bank after the completion of the Delisting, if applicable.

4.4 Subsequent to this Joint Announcement, a Noteholders' Meeting will be convened to obtain the consent of the Noteholders of the 2016 Notes (***Pre-Condition***) for the following:

(a) to extend the 2016 Notes Maturity Date for a further period of six (6) months or until the date on which the delisting of the Company has been completed, whichever is earlier (***Revised 2016 Notes Maturity Date***);

(b) to waive compliance with the covenant set out in Clause 16.1(z) of the trust deed dated 13 April 2010 between the Company (as guarantor), OMSPL (as issuer for the Notes) and British and Malayan Trustees Limited (as trustee) (***Trust Deed***) and to consent to each of OMSPL and the Company to undertake or permit any re-organisation, amalgamation, reconstruction, take-over, merger or consolidation with any other company or person or any other schemes of compromise or arrangement affecting its present constitution, including the Delisting Proposal and/or the Exit Offer, without the prior consent of the trustee of the Notes or the Noteholders by way of extraordinary resolution passed in accordance with the terms of the Trust Deed; and

(c) to agree not to exercise or to waive their option under condition 5(j) of the Terms and Conditions of the 2016 Notes as more particularly set out in paragraph 4.2 of this Joint Announcement.

The satisfaction of the Pre-Condition is a condition to the Delisting Proposal and is not capable of being waived by the Company or the Offeror.

4.5 An extraordinary resolution passed in accordance with the terms of the Trust Deed means a resolution passed at a meeting of Noteholders duly convened and held by:

(a) a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than three-fourths of the votes cast on such poll; or

(b) a resolution in writing signed by or on behalf of not less than 90 per cent. in aggregate principal amount of the Notes for the time being outstanding, if the approval is obtained by way of resolution in writing signed by the Noteholders.

In addition, the quorum required for the meeting to assent to the postponement of the dates of maturity or redemption of the Notes is two (2) or more persons present holding Notes in definitive form or voting certificates or being proxies and holding or representing in the aggregate with not less than $66\,^{2}/_{3}$ per cent. in principal amount of the Notes for the time being outstanding must be present.

4.6 The Company will convene the Noteholders' Meeting prior to the EGM.

5. INFORMATION ON THE COMPANY

5.1 The Company was incorporated in Singapore and has been listed on the Mainboard of the SGX-ST since 2008. The Company and its subsidiaries are principally engaged in vessel construction, repair and conversion, fabrication, chartering, management and leasing of vessels as well as sub-sea activities. As at the Joint Announcement Date, the Company has an issued and paid-up share capital of 212,354,622 Shares.

5.2 As at the Joint Announcement Date, the board of Directors of the Company comprises the following:

(a) Datuk Seri Yaw Chee Siew (Executive Chairman) (***Yaw***);

(b) See Kian Heng (Group Chief Executive Officer and Executive Director);

(c) Ng Quek Peng (Non-Executive and Lead Independent Director);

(d) Chin Yoong Kheong (Non-Executive and Independent Director); and

(e) Craig Foster Pickett (Non-Executive and Non-Independent Director).

5.3 As at the Joint Announcement Date, the Company has no outstanding instruments convertible into, rights to subscribe for, warrants, options (whether pursuant to an employee share option scheme or otherwise) nor derivatives in respect of securities which carry voting rights in the Company.

6. INFORMATION ON THE OFFEROR

6.1 The Offeror is a special purpose vehicle incorporated in the British Virgin Islands for the purposes of making the Exit Offer. It is a private company and does not have any published audited accounts. Its principal activities include that of investment holding. As at the Joint Announcement Date, the Offeror has an issued and paid-up share capital of one (1) share, which is held by Yaw. Yaw, who is the Executive Chairman of the Company, is the sole director of the Offeror.

6.2 Yaw is also a controlling shareholder of the Company (***Controlling Shareholder***) and he has a direct interest in 539,835 Shares and an indirect interest in 129,420,518 Shares which are held by CEO Technology Asia Limited (***CEO***) and Business Companion Investments Limited (***BCI***). As CEO and BCI are wholly owned by Yaw, Yaw is deemed interested in 129,420,518 Shares held by the two entities and accordingly, Yaw has a total interest in 129,960,353 Shares, representing approximately 61.2% of the total issued share capital of the Company.

6.3 As at the Joint Announcement Date, the Offeror does not own any Shares.

7. GENERAL TERMS AND CONDITIONS OF THE DELISTING PROPOSAL

In connection with the Delisting Proposal, RHBSEC will, for and on behalf of the Offeror, make an Exit Offer in cash to acquire all the Offer Shares, on the following principal terms and conditions.

7.1 Exit Offer Price

The offer price for each Offer Share is S$0.32 in cash (***Exit Offer Price***).

The Exit Offer Price shall be applicable to any number of Offer Shares that are tendered in acceptance of the Exit Offer.

7.2 No revision of Exit Offer Price

The Offeror does not intend to revise the Exit Offer Price.

7.3 No encumbrances

The Offer Shares will be acquired fully paid, free from all liens, equities, charges, pledges, encumbrances, rights of pre-emption and any other third party rights or interests of any nature whatsoever (***Encumbrances***), and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto, including but not limited to the right to receive and retain all dividends, rights and other distributions (if any), which may be declared, paid or made by the Company, on or after the Joint Announcement Date.

If any dividend, other distribution or return of capital is declared, made or paid by the Company on or after the Joint Announcement Date, the Offeror reserves the right to reduce the Exit Offer Price by the amount of such dividend, distribution or return of capital.

7.4 Conditions

Contingent upon the satisfaction of the Pre-Condition, the Delisting and the Exit Offer will be conditional on:

(a) the approval of the SGX-ST for the Delisting being obtained;

(b) the Delisting Resolution being approved by a majority of at least 75% of the total number of Shares excluding treasury shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM (for the avoidance of doubt, Directors and the Controlling Shareholder need not abstain from voting on the Delisting Resolution); and

(c) the Delisting Resolution not being voted against by 10% or more of the total number of Shares excluding treasury shares held by Shareholders present and voting, on a poll, either in person or by proxy at the EGM.

(collectively, ***Delisting Proposal Conditions***).

In addition, the Exit Offer will also be conditional on the receipt by the Offeror, by the close of the Exit Offer, of valid acceptances in respect of such number of Shares which will result in the Offeror holding more than 50% of the Shares as at the close of the Exit Offer (***Minimum Acceptance Condition***).

Save for the Delisting Proposal Conditions and the Minimum Acceptance Condition, the Delisting and Exit Offer will each be unconditional in all respects.

7.5 Undertakings

(a) The Controlling Shareholder, CEO and BCI (collectively, ***Undertaking Shareholders***) have provided unconditional and irrevocable undertakings (***Irrevocable Undertakings***) to the

Offeror that during the period commencing on the date of the respective deeds of undertaking and ending on the Expiry Date (as defined below) to, *inter alia*,

(i) vote and procure the voting of all their existing Shares (***Existing Shares***) and all additional Shares as may be howsoever acquired by the Undertaking Shareholders or issued or unconditionally allotted to them subsequent to the Joint Announcement Date (***Relevant Shares***) at the EGM to approve the Delisting Resolution and any other matter necessary or proposed to implement the Delisting;

(ii) accept, and procure the acceptance of the Exit Offer in respect of all the Relevant Shares; and

(iii) waive receipt of payment of the consideration by the Offeror in respect of all the Relevant Shares tendered in acceptance of the Exit Offer, notwithstanding the provisions of the Code in relation to the time period in which payment should be made.

(b) The Controlling Shareholder has also provided an unconditional and irrevocable undertaking to the Offeror during the period commencing on the date of the deed of undertaking and ending on the Expiry Date to vote in respect of the Yaw Notes and to approve all resolutions presented during the Noteholders' Meeting towards satisfaction of the Pre-Condition.

(c) In addition, the Controlling Shareholder will procure a letter of undertaking to be given to the trustee of the 2016 Notes for the benefit of the Noteholders for the purpose and on such terms as elaborated in paragraph 4.3.

The Irrevocable Undertakings shall expire (a) if the Joint Announcement is not released on or before 5pm (Singapore time) on 30 June 2016; (b) on the date of the EGM if the Delisting Resolution is not approved at the EGM; or (c) on the date the Exit Offer (including any revised Exit Offer by or on behalf of the Offeror) is withdrawn, lapses or closes, whichever is earlier (***Expiry Date***). Save for the foregoing, the Irrevocable Undertakings are irrevocable and will continue to be binding.

As at the Joint Announcement Date, the Undertaking Shareholders hold an aggregate of 129,960,353 Shares, representing approximately 61.2% of the total issued share capital of the Company.

In view of the Irrevocable Undertakings, the Offeror would be able to receive acceptances of at least 61.2% of the Offer Shares. As such, once the Offeror receives acceptances from the Undertaking Shareholders in respect of their Existing Shares, the Minimum Acceptance Condition will be satisfied. In addition, the aggregate shareholding which will vote in favour of the Delisting Resolution at the EGM will be at least 61.2% of the total issued share capital of the Company.

7.6 **Charge on BCI's Existing Shares**

BCI has charged all its Existing Shares to Standard Chartered Bank, Singapore Branch, RHBSEC and RHB Bank as collaterals (***Share Charge***) prior to the date of this Joint Announcement Date.

BCI has unconditionally and irrevocably undertaken to the Offeror and RHBSEC that it shall do all necessary acts and execute all necessary documents to discharge the Share Charge such that all its Existing Shares shall be free from any Encumbrances before they are tendered in acceptance of the Exit Offer.

After the Pre-Condition has been satisfied and the Delisting Resolution has been obtained, the Controlling Shareholder who owns both the entire issued share capital in BCI and in the Offeror, will create a charge over all the shares in the capital of the Offeror in favour of RHB Bank to secure a term loan for the purpose of discharging the Share Charge.

7.7 **Warranty**

Acceptance of the Exit Offer by a Shareholder will be deemed to constitute an unconditional and irrevocable warranty by that Shareholder that each Share in respect of which the Exit Offer is accepted is sold by him/her, as or on behalf of, the beneficial owner(s) thereof, fully paid and free of all Encumbrances, and together with all rights, benefits and entitlements attached thereto as at the Joint Announcement Date and thereafter attaching thereto (including the right to receive and retain all dividends, rights and other distributions, if any, which may be announced, declared, paid or made thereon by the Company on or after the Joint Announcement Date).

7.8 **Acceptances**

Shareholders may choose to accept the Exit Offer in respect of all or part of their holdings of Offer Shares. However, such acceptances would be conditional and if the Delisting Proposal Conditions and Minimum Acceptance Condition are not satisfied, the conditions to the Delisting and Exit Offer will not be fulfilled and the Exit Offer will lapse. The Exit Offer will be open for acceptance by Shareholders for a period of at least:

(a) 21 days after the date of despatch of the Exit Offer Letter if the Exit Offer Letter is despatched after Shareholder's approval for the Delisting Resolution has been obtained; or

(b) 14 days after the date of the announcement of Shareholder's approval of the Delisting Resolution if the Exit Offer Letter is despatched on the same date as the Circular.

7.9 **Duration**

It is currently envisaged that the Exit Offer Letter to be issued by the Offeror to the Shareholders and the relevant acceptance form(s) will be despatched to Shareholders together with the Circular.

Accordingly, if the Delisting Resolution is approved by Shareholders at the EGM, the Exit Offer will be open for acceptance by Shareholders for a period of at least 14 days after the date of the announcement of Shareholder's approval.

7.10 **Further details**

Further details on the Exit Offer will be set out in the Exit Offer Letter containing, amongst others, the terms of the Exit Offer and the relevant acceptance forms.

8. RATIONALE FOR DELISTING AND THE OFFEROR'S INTENTIONS

8.1 **Opportunity for Shareholders to realise their investment in the Shares at a premium**

Through this Delisting Proposal and Exit Offer, the accepting Shareholders will have an opportunity to realise their investments in the Company for a cash consideration at a premium over the Last Market Day (as defined herein) and the volume weighted average traded price (***VWAP***) (in respect of their respective periods below), without incurring any brokerage and other trading costs.

The following table benchmarks the Exit Offer Price against the Last Market Day and the respective VWAP of the Shares, on a consolidated basis:

Description	Share Price (S$)[(1)]	Premium / (Discount) of Exit Offer Price over / to Share Price[(2)]
(i) Last transacted price per Share on 1 June 2016 (being the last full day of trading in the Shares on the SGX-ST prior to the date of the Holding Announcements) (***Last Market***	0.230	39.13%

Day[3])		
(ii) VWAP[4] for the one-month period prior to and including the Last Market Day	0.221	44.80%
(iii) VWAP for the three-month period prior to and including the Last Market Day	0.223	43.50%
(iv) VWAP for the six-month period prior to and including the Last Market Day	0.224	42.86%
(v) VWAP for the 12-month period prior to and including the Last Market Day	0.370	(13.51%)

Source: Bloomberg L.P.

Notes:

(1) The historical market prices and the corresponding premium and discount are computed based on data extracted from Bloomberg L.P.

(2) Computed based on the shares prices which were rounded to the nearest three (3) decimal places.

(3) ***Market Day*** refers to a day on which the SGX-ST is open for the trading of securities.

(4) The VWAP is calculated based on the daily VWAP turnover divided by VWAP volume of the Shares as extracted from Bloomberg L.P..

8.2 **Low trading volume of the Shares**

The trading volume of the Shares on the SGX-ST in the past year has generally been low. The average daily trading volume of the Shares for the one (1) month, three (3) months, six (6) months and twelve (12) months periods prior to and including the Last Market Day are as follows:

Period prior to and including the Last Market Day	Average daily trading volume[1]	Approximate percentage of total number of free float Shares[2]
(i) Last one (1) month	139,322	0.18%
(ii) Last three (3) months	257,853	0.34%
(iii) Last six (6) months	139,805	0.18%
(iv) Last twelve (12) months	131,591	0.17%

Source: Bloomberg L.P.

Notes:

(1) The average daily trading volume is computed based on the total trading volume of the Shares for all Market Days for the relevant periods immediately prior to and including the Last Market Day, divided by the total number of Market Days during the respective periods.

(2) Based on 76,258,368 Shares, being the total number of free float Shares extracted from the Company's 2015 annual report.

In view of the low trading volume, during the periods prior to and including the Last Market Day, the Exit Offer represents an opportunity for Shareholders (without incurring any brokerage and other

trading costs) to realise their investments in the Shares at a price which may not otherwise be readily available.

8.3 **Greater management flexibility**

The Offeror believes that the Delisting of the Company would provide the management of the Company with greater flexibility to manage and develop the existing businesses of the Company while exploring opportunities without the attendant costs, regulatory restrictions and compliance issues associated with its listed status on the SGX-ST.

8.4 **Compliance costs of maintaining listing**

The Company incurs additional compliance and associated costs in maintaining the Company's listing status. As a non-listed entity, the Company will be able to achieve cost-savings by dispensing with costs associated with complying with SGX-ST listing requirements and other regulatory requirements as well as management's time and human resources that have to be committed for such compliance.

8.5 **Offeror's intentions**

The Offeror has no current intention of making material changes to the Group's existing business or re-deploying the Group's fixed assets.

Nonetheless, the Offeror retains the flexibility at any time to consider options or opportunities which may present themselves, and which it regards to be in the interests of the Offeror and/or the Company.

9. COMPULSORY ACQUISITION

Pursuant to Section 215(1) of the Companies Act (Cap. 50) (***Act***), in the event that the Offeror acquires 90% or more of the Shares (other than those already held by the Offeror, its related corporations and their respective nominees as at the date of the Exit Offer and excluding any Shares held by the Company as treasury shares), it will be entitled to exercise the right to compulsorily acquire all the Shares of Shareholders who have not accepted the Exit Offer (***Dissenting Shareholders***) at the Exit Offer Price.

The Offeror intends to make the Company its wholly owned subsidiary. **Accordingly, when entitled, the Offeror intends to exercise its right of compulsory acquisition under Section 215(1) of the Act.**

In addition, Dissenting Shareholders have the right under and subject to Section 215(3) of the Act to require the Offeror to acquire their Shares in the event that the Offeror, its related corporations and their respective nominees acquire, pursuant to the Exit Offer, such number of Shares which, together with the Shares held by the Offeror, its related corporations and their respective nominees, comprise 90% or more of the total issued Shares (excluding treasury shares).

Subject always to paragraph 7.4, the Delisting is not conditional on the Offeror obtaining not less than 90% of the total issued Shares and is not conditional on the Offeror being entitled to exercise its rights of compulsory acquisition.

Dissenting Shareholders who wish to exercise their rights under Section 215(3) of the Act are advised to seek their own independent legal advice.

10. CONFIRMATION OF FINANCIAL RESOURCES

RHBSEC, the Offeror's financial adviser in respect of the Exit Offer, has confirmed that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Exit Offer for the Offer Shares at the Exit Offer Price (excluding the Relevant Shares in view of the Irrevocable Undertakings).

11. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

11.1 As at the Joint Announcement Date, and subject always to the matters in this Joint Announcement, the interests (whether through ownership or control) in the Company Securities (as defined herein) held by the Offeror, its directors, the Controlling Shareholder, CEO, BCI and RHBSEC (***Relevant Persons***), if any, are set out in the appendix to this Joint Announcement (***Appendix***).

Save as disclosed in this Joint Announcement and in the Appendix and subject always to the matters in this Joint Announcement, as at the Joint Announcement Date, none of the Relevant Persons:

(a) owns, controls or has agreed to acquire any Shares, securities which carry voting rights in the Company, or convertible securities, warrants, options, derivatives in respect of, such Shares or securities (collectively, ***Company Securities***);

(b) has received any irrevocable undertaking from any party to accept or reject the Exit Offer;

(c) has entered into any arrangement (whether by way of option, indemnity or otherwise) in relation to shares of the Offeror or the Company which might be material to the Exit Offer; and

(d) has:

(i) granted a security interest over any Company Securities to another person, whether through a charge, pledge or otherwise;

(ii) borrowed from another person any Company Securities (excluding borrowed securities which have been on-lent or sold); or

(iii) lent any Company Securities to another person.

11.2 Save as disclosed in this Joint Announcement and in the Appendix, neither the Offeror nor any of the Relevant Persons has dealt for value in any Shares during the three (3) month period immediately preceding the Joint Announcement Date.

12. CONFIDENTIALITY

12.1 In the interests of confidentiality, apart from the Relevant Persons, the Offeror has not made enquiries in respect of certain other parties who are or may be deemed to be acting in concert with it in connection with the Exit Offer. Similarly, RHBSEC has not made any enquires in respect of certain parties who are or may be deemed to be acting in concert with RHBSEC in connection with the Exit Offer. Further enquiries will be made in respect of such parties and the relevant disclosures, if any, will be made in due course and in the Exit Offer Letter and/or Circular.

13. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The Company will appoint an independent financial adviser (***IFA***) to advise the Directors who are considered independent for the purposes of the Delisting Proposal and the Exit Offer (***Independent Directors***) on the Exit Offer and the appointment of the IFA will be announced on SGX-NET. The advice of the IFA and the recommendation of the Independent Directors regarding the Exit Offer will be set out in the Circular which will be despatched by the Company to Shareholders in due course.

14. OVERSEAS SHAREHOLDERS

14.1 This Joint Announcement does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in this Joint Announcement in any jurisdiction in contravention of applicable law and regulation. The Exit Offer will be made solely by the Exit Offer Letter and the relevant acceptance forms accompanying the Exit Offer Letter, which will

contain the full terms and conditions of the Exit Offer, including details of how the Exit Offer may be accepted.

14.2 The release, publication or distribution of this Joint Announcement in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this Joint Announcement is released, published or distributed should inform themselves about and observe such restrictions.

14.3 Copies of this Joint Announcement and any formal documentation relating to the Exit Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Exit Offer would violate the applicable law of that jurisdiction (***Restricted Jurisdiction***) and will not be capable of acceptance by any such use, instrumentality or facility within any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. For the avoidance of doubt, the Exit Offer shall be made to all Shareholders including those to whom the Exit Offer Letter and the relevant acceptance forms will not be sent.

14.4 The Exit Offer (unless otherwise determined by the Offeror and permitted by applicable law and regulation) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Exit Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

14.5 The ability of the Shareholders who are not resident in Singapore to accept the Exit Offer may be affected by the laws of the relevant jurisdictions in which they are located. Persons who are not resident in Singapore should inform themselves of, and observe, any applicable requirements.

15. FURTHER INFORMATION

15.1 No immediate action is required of Shareholders on their part in respect of the Delisting Proposal and the Exit Offer. The Circular which includes, amongst others, further information regarding the Delisting Proposal, the terms and conditions of the Exit Offer, the advice of the IFA and the recommendation of the Independent Directors regarding the Exit Offer, and a notice of the EGM, will be despatched by the Company to Shareholders in due course. The Exit Offer Letter, together with the relevant forms of acceptance, is expected to be despatched by or on behalf of the Offeror to Shareholders together with the Circular.

15.2 In the meantime, Shareholders are advised to exercise caution in their dealings in the Shares and to refrain from taking any action in relation to their Shares which may be prejudicial to their interests. **Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

16. RESPONSIBILITY STATEMENTS

16.1 The sole director of the Offeror, Yaw, has taken all reasonable care to ensure that the facts stated and opinions expressed in this Joint Announcement (other than those relating to the Group) are fair and accurate and that there are no other material facts not contained in this Joint Announcement, the omission of which would make any statement in this Joint Announcement misleading. Where any information in this Joint Announcement has been extracted or reproduced from published or publicly available sources or obtained from the Group, the sole responsibility of Yaw has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Joint Announcement. Yaw accepts responsibility accordingly.

16.2 The Directors of the Company (including any Director who may have delegated detailed supervision of this Joint Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed herein (other than those relating to the Offeror, and the Relevant Persons) are fair and accurate and that no material facts have been omitted from this Joint Announcement, the

omission of which would make any statement in this Joint Announcement misleading. Where any information in this Joint Announcement has been extracted or reproduced from published or publicly available sources or obtained from the Offeror, the sole responsibility of the Directors has been to ensure that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Joint Announcement. The Directors jointly and severally accept responsibility accordingly.

Shareholders and potential investors should exercise caution when trading in the Shares, as there is no certainty that the Delisting and the Exit Offer will be completed. In the event of any doubt as to the action they should take, Shareholders and potential investors should consult their financial, tax, legal or other professional advisers.

BY ORDER OF THE BOARD
OCEAN INTERNATIONAL CAPITAL LIMITED

Datuk Seri Yaw Chee Siew
Director
8 June 2016

BY ORDER OF THE BOARD
OTTO MARINE LIMITED

Ng Quek Peng
Lead Independent Director
8 June 2016

Forward-Looking Statements

All statements other than statements of historical facts included in this Joint Announcement are or may be forward- looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the current expectations, beliefs, hopes, intentions or strategies of the party making the statements regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors of the Company and/or the Offeror should not place undue reliance on such forward-looking statements, and none of the Company and the Offeror undertakes any obligation to update publicly or revise any forward- looking statements.

Disclosure of Dealings

The associates (as defined under the Code, and which includes all substantial shareholders) of the Company and the Offeror are hereby reminded to disclose their dealings in any securities of the Company in accordance with Rule 12 of the Code.

APPENDIX

DISCLOSURE OF SHAREHOLDINGS AS AT 8 JUNE 2016

Name	Shareholding Interest					
	Direct Interest (Number of Shares)	%[1]	Deemed Interest (Number of Shares)	%[1]	Total Interest (Number of Shares)	%[1]
Offeror Directors						
Datuk Seri Yaw Chee Siew (***Yaw***)	539,835	0.25	129,420,518[2][3]	60.95	129,960,353	61.20
The Offeror	-	-	-	-		
Other parties acting or deemed to be acting in concert						
Business Companion Investments Limited[4] (***BCI***)	126,177,260	59.42	-	-	-	59.42
CEO Technology Asia Limited[4] (***CEO***)	3,243,258	1.53	-	-	-	1.53
RHB Securities Singapore Pte. Ltd.[5]	-	-	-	-	-	-

Notes:

(1) The percentage shareholding interest is based on the issued share capital of 212,354,622 Shares as at the date of this Joint Announcement.

(2) RHB Securities Singapore Pte. Ltd. (100,498,630 Shares) and RHB Bank Nominees Pte Ltd (25,678,630 Shares) are bare trustees for BCI. As BCI is wholly-owned by Yaw, Yaw is deemed to have interest in Shares held by BCI.

(3) CEO owns 3,243,258 Shares. As CEO is wholly-owned by Yaw, Yaw is deemed to have interest in shares held by CEO.

(4) BCI and CEO are companies controlled by Yaw, a director of the Offeror, and are therefore deemed to be parties acting in concert with the Offeror.

(5) Acting as financial adviser to the Offeror.