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

SALE OF VESSEL FOR US$38 MILLION

Otto Marine Limited (the "**Company**") wishes to announce that it has signed a Memorandum of Agreement ("**MOA**") to sell a Work Maintenance Vessel known as SOC ENDEAVOUR (the "**Vessel**") to an outside party through its wholly owned subsidiary, Koi Marine Limited ("**Koi Marine**"). The sale of the Vessel will reduce its inventory on hand and is part of the ordinary course of business of the shipyard business.

None of the Directors or Controlling Shareholders or Substantial Shareholders of the Company has any interest, direct or indirect, in the abovementioned agreement save for their directorships and/or shareholdings in the Company.

The transaction above is expected to have a positive impact on the consolidated net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2016.

By Order of the Board

Michael See Kian Heng
Group Chief Executive Officer and Group Executive Director

4 April 2016