



BAKER TECHNOLOGY LIMITED
(Company Registration No. 198100637D)
(Incorporated in the Republic of Singapore)

RESPONSE TO SGX QUERY ON FULL YEAR RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2008

In response to the query raised by the Singapore Exchange Securities Trading Limited on 4 March 2009, the Directors of Baker Technology Limited (the "Company") wish to provide the following information:

Question:

We note that on page 2 of the results announcement, the Group reported trade receivables of \$36.3 million for FY2008.

Please provide the following additional disclosure in relation to the trade receivables:-

- (i) The trade receivables turnover days and usual credit period granted to customers.*
- (ii) The ageing schedule for the Group's trade receivables.*
- (iii) Whether any of the outstanding trade receivables are past due.*
- (iv) If there are trade receivables past due, whether any provision has been made for doubtful trade debts. If not, why. If so, please disclose the directors' views on whether the provision for doubtful trade debts is adequate and the basis for their views.*

The Company's response:

- (i) The average trade receivables turnover day was 95 days. The usual credit period granted to customers is between 30 to 90 days.
- (ii) The trade receivables ageing of the Group is as follows:

(\$'000)	1 to 60 days	61 to 90 days	> 90 days	Total
Balance as at 31.12.2008	27,090	311	8,903	36,304
Percentage	75%	1%	24%	100%

- (iii) As at 31 December 2008, about \$8.9 million was past due.
- (iv) No provision has been made on these past due trade receivables because these debts remain collectible as of to-date. Of the outstanding debts of \$36.3 million as at 31 December 2008, approximately \$23.2 million has been collected to-date. The Group continues to monitor credit performance of all customers.