

BAKER TECHNOLOGY LIMITED

(Unique Entity Number 198100637D) (Incorporated in the Republic of Singapore)

UPDATES IN RELATION TO THE PROPOSED DISPOSAL

The Board of Directors of Baker Technology Limited (the "Company") refers to the announcements dated 17 April 2010, 23 April 2010, 29 April 2010 and 13 May 2010 (the "Earlier Announcements") in relation to the Proposed Disposal.

Capitalised terms used in this announcement shall have the same meanings as defined in the Earlier Announcements unless the context requires otherwise.

The Company would like to draw shareholders' attention to the announcement made by SCM on 15 May 2010 that it has commenced proceedings in the High Court of Singapore against PPLH and its wholly owned subsidiary, E-Interface Holdings Limited ("E-Interface"). The announcement made by SCM stated that it has asked the High Court to rule that the Joint Venture Agreement is no longer in force, to direct PPLH and E-Interface to transfer the remaining 15% of the shares in PPL Shipyard to SCM against payment of the sum of S\$59,433,522 and to order them to pay damages for disclosing or causing to disclose confidential information of PPL Shipyard to the Purchaser in breach of the Joint Venture Agreement.

The Board wishes to reiterate that it has sought and received legal advice on the matters stated above and that the legal counsels are of the view that SCM has no basis for its claims. The Board will therefore be taking all appropriate steps to vigorously defend its position.

The Company will keep Shareholders apprised of any material developments, where appropriate.

By Order of the Board Baker Technology Limited

Aw Seok Chin Company Secretary

16 May 2010