



BAKER TECHNOLOGY LIMITED

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

HIGH COURT JUDGMENT IN RELATION TO THE LEGAL SUIT WITH SEMBCORP MARINE LTD, NOTICE OF APPEAL FILED BY SEMBCORP MARINE LTD ON 29 JUNE 2012 AND RECOGNITION OF GAIN ON THE DISPOSAL OF PPL HOLDINGS PTE LTD

The Board of Directors of Baker Technology Limited (the "**Company**") refers to the Suit between Sembcorp Marine Ltd ("**SCM**") and PPL Holdings Pte Ltd ("**PPLH**") and E-Interface Holdings Limited ("**E-Interface**"), in which PPL Shipyard Pte Ltd ("**PPL Shipyard**") is also a party as second defendant to the counterclaim.

On 31 May 2012, the Company had announced, *inter alia*, that the High Court has, in its Judgment dated 30 May 2012, dismissed SCM's claims in their entirety and that if the Court's ruling is not appealed against or is upheld on appeal, the Company will then recognise the gain on the disposal of PPLH to QD Asia Pacific Ltd ("**QD**"), amounting to S\$58,237,148.

SCM had on 29 June 2012 announced that it has filed an appeal ("**Appeal**") to the Court of Appeal. As stated in SCM's announcement, "*in the main, SCM is appealing against those parts of the High Court's decision which relate to:-*

- (i) *whether the Joint Venture Agreement between SCM and PPLH is premised on equal shareholding and continues to apply in its entirety despite SCM's ownership in PPL Shipyard being raised from 50% to 85%;*
- (ii) *whether SCM was entitled to terminate the Joint Venture Agreement due to a breach by PPLH; and*
- (iii) *certain resolutions and orders which are consequential on the findings relating to (i) and (ii)."*

Pursuant to the Amendment and Novation Agreement dated 1 September 2010 relating to the disposal of the entire issued and paid-up capital of PPLH to QD for US\$116.25 million, it was provided, *inter alia*, that, "*in the event a final judgment or order of the Supreme Court of Singapore in the Legal Suit determines, or it is agreed by a settlement agreement between SCM, PPLH and E-Interface that, (a) SCM had validly exercised a right of pre-emption over the 15.0% shareholding interest of PPLH and E-Interface in PPL Shipyard; or (b) PPLH had validly exercised its put option under clause 2 of the Supplemental Joint Venture Agreement in respect of that 15.0% shareholding interest in PPL Shipyard, then, the Company shall then repay the US\$116.25 million to QD.*"

In view of the above, the Company has fulfilled its obligations to QD under the Amendment and Novation Agreement and the disposal of PPLH to QD is considered as completed. Accordingly, the Company will retain the US\$116.25 million and it will now proceed to recognise the gain on disposal of S\$58,237,148.

For illustration purposes only, the proforma financial effects on the NTA and EPS of the Company based on, *inter alia*, (i) the recognition of the gain on disposal of S\$58,237,148; and (ii) the audited consolidated financial statements of the Company for the financial year ended 31 December 2011 are as follows:

(a) NTA per Share

Assuming the gain on disposal of S\$58,237,148 had been recognised on 31 December 2011, the effect on the NTA of the Group is as follows:

	NTA of the Group (S\$ million)	NTA per Share (cents)
Before recognition of the gain on disposal	164.2	23.5
After recognition of the gain on disposal	222.5	31.8

(b) EPS

Assuming the gain on disposal of S\$58,237,148 had been recognised on 1 January 2011, the effect on the EPS of the Group is as follows:

	Net profit attributable to Shareholders (S\$ million)	EPS (cents)
Before recognition of the gain on disposal	7.6	1.1
After recognition of the gain on disposal	65.9	9.5

BY ORDER OF THE BOARD

Nga Ko Nie
Company Secretary

3 July 2012