



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

DISPOSAL OF INVESTMENT IN DISCOVERY OFFSHORE S.A.

1. INTRODUCTION

The Board of Directors (the "**Board**") of Baker Technology Limited (the "**Company**") refers to the announcement by Discovery Offshore S.A. ("**Discovery**") dated 24 June 2013, in relation to the purchase of 17,958,447 shares in Discovery, at a price of Norwegian Kroner ("**NOK**") 15.00 per share, by Hercules Discovery Ltd., a wholly owned subsidiary of Hercules Offshore, Inc. ("**Hercules**"). A copy of the said announcement is attached.

Prior to the share purchase, Hercules owns a 32.1% shareholding stake in Discovery and following completion of the share purchase, Hercules' shareholding in Discovery will increase to 59.5%. As stated in Discovery's announcement, *inter alia*,

*"The acquisition of shares by Hercules Discovery Ltd. triggers an obligation to make a mandatory offer for all of the outstanding shares in Discovery pursuant to Section 6-1 of the Norwegian Securities Trading Act (the "**Offer**"). This notification does not constitute an offer. The Offer will only be made on the basis of the offer document and can only be accepted pursuant to the terms of such document. Hercules, through Hercules Discovery Ltd., will make the Offer within the time limit set out in the Norwegian Securities Trading Act. In the context of the Offer, the price of NOK 15.00 is the highest price paid or agreed to be paid per share in Discovery by Hercules during the last 6 months."*

The Board wishes to announce that, following Discovery's notification of Hercules' share purchase, the Company had, on 24 June 2013, sold its entire 20.29% shareholding stake, or 13,288,512 shares in Discovery to Hercules, at the price of NOK15.00 per share (the "**Disposal**"). The gross proceeds from the Disposal amount to approximately NOK199.33 million or approximately S\$41.35 million based on the exchange rate of S\$1.00 : NOK4.8209 as at 24 June 2013 and will be satisfied fully in cash and payable by end of this week.

Following completion of the Disposal, Discovery will cease to be an associate of the Company and its subsidiaries (the "**Group**").

2. THE DISPOSAL

2.1 Information on Discovery

Discovery is a Luxembourg-based public limited liability company incorporated on 12 January 2011 for the purpose of owning new ultra high specification jackup drilling

rigs. Discovery's main assets are two Keppel FELS Super A Class high specification harsh environment jackup rigs. The first rig, Discovery Triumph, was delivered on 7 June 2013 and delivery of the second rig, Discovery Resilience, is scheduled for October 2013.

2.2 Rationale of the Disposal

As at 31 March 2013, the net book value of the Company's investment in Discovery is approximately S\$32.18 million. The excess of the Disposal consideration of approximately S\$41.35 million over Discovery's book value as at 31 March 2013 is approximately S\$9.17 million.

Having considered the change in Discovery's shareholding structure following Hercules' share purchase, the potential for Hercules to acquire further shares in Discovery in view of the mandatory offer and the Group's capital gains from the Disposal, of approximately S\$8.76 million (calculated based on Discovery's book value as at 31 March 2013 and the estimated net sale proceeds from the Disposal), the Directors are of the opinion that the Disposal is in the best interests of the Company.

2.3 Intended use of proceeds

The net sale proceeds from the Disposal after deducting all expenses, is estimated to be approximately S\$40.93 million and will be used for general working capital of the Group, future investments and/or such other purposes as the Directors may deem fit. Pending the deployment of the net proceeds for such purposes, the net proceeds may be deposited with banks and/or financial institutions, invested in short-term money market instruments and/or marketable securities, or used for any other purpose on a short term basis, as the Directors may, in their absolute discretion, deem fit.

2.4 Material conditions attached to the Disposal

There are no material conditions attached to the Disposal.

2.5 Financial effects

For illustration purposes only, the proforma financial effects of the Disposal on the net tangible assets ("NTA") per share and earnings per share ("EPS") of the Group based on the audited consolidated financial statements of the Group and Discovery for financial year ended 31 December 2012, are as follows:

(a) NTA per share

Assuming the Disposal had been completed on 31 December 2012, the Disposal would have the following impact on the NTA of the Group:

	NTA of the Group (S\$ million)	NTA per share (cents)
Before the Disposal	260.59	35.37
After the Disposal	269.35	36.56

(b) EPS

Assuming the Disposal had been completed on 1 January 2012, the Disposal would have the following impact on the earnings of the Group:

	Net profit attributable to Shareholders (S\$ million)	EPS (cents)
Before the Disposal	81.59	11.54
After the Disposal	90.35	12.78

2.6 Relative figures under Chapter 10 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual of the SGX-ST (the “Listing Manual”) are as follows:

Rule 1006	Basis of Computation	Relative Figures (%)
(a)	Net asset value of the assets to be disposed of, compared with the group’s net asset value.	11.64 ⁽¹⁾
(b)	Net profits attributable to the assets acquired or disposed of, compared with the group’s net profits.	Not meaningful ⁽²⁾
(c)	Aggregate value of the consideration given or received, compared with the issuer’s market capitalisation based on the total number of issued shares excluding treasury shares.	16.38 ⁽³⁾
(d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable

Notes:

- (1) The net asset value of Discovery as at 31 March 2013 was approximately S\$32.18 million and the Group’s net asset value was approximately S\$276.43 million as at 31 March 2013.

For illustration purpose only, given that the Company had paid dividends of approximately S\$87.21 million in May 2013, the net asset value of the Group would be approximately S\$189.22 million after the dividend payment, which if compared with the net asset value of Discovery, would result in the relative figure being 17.00%.

- (2) The relative figure is not meaningful as Discovery recorded a loss for the 3 months ended 31 March 2013 while the Group was profitable for the same period.

- (3) The gross proceeds from the Disposal is approximately NOK199.33 million or approximately S\$41.35 million based on the exchange rate of S\$1 : NOK 4.8209 as at 24 June 2013.

The market capitalisation of the Company is determined by multiplying the weighted average price of the shares of the Company on 21 June 2013 of S\$0.2894 per share, being the market day preceding the Disposal, with the issued share capital of the Company of 872,067,844.

As the relative figures set out above exceed 5% but do not exceed 20%, the Disposal constitutes a discloseable transaction under Rule 1010 of the Listing Manual and shareholders’ approval is not required.

3. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.

By Order of the Board

Nga Ko Nie
Company Secretary
25 June 2013

MeldingsID: 331102	
Innsendt dato:	24.06.2013 08:52
UtstederID:	DISC
Utsteder:	Discovery Offshore S.A.
Instrument:	-
Marked:	XOAX
Kategori:	OPPKJØP
Informasjonspliktig:	Ja
Lagringspliktig:	Nei
Vedlegg:	
Tittel:	DISC - Mandatory offer obligation, mandatory notification of trade and disclosure of significant shareholding
Meldingstekst:	<p>Hercules Discovery Ltd., a wholly owned subsidiary of Hercules Offshore, Inc. ("Hercules"), has today, on 24 June 2013, agreed to purchase 17,958,447 shares in Discovery Offshore S.A. ("Discovery") at a price of NOK 15.00 per share in direct transactions with certain selling shareholders. The transaction has been structured as an all-or-nothing order, subject to a minimum acquisition of 11,800,000 shares, and placed through Pareto Securities.</p> <p>Hercules already owns 21,012,834 shares in Discovery corresponding to 32.1% of all issued shares in Discovery. Following completion of the acquisition of shares by Hercules Discovery Ltd., Hercules' total ownership in Discovery will amount to 38,971,281 shares corresponding to 59.5% of all issued shares in Discovery.</p> <p>The acquisition of shares by Hercules Discovery Ltd. triggers an obligation to make a mandatory offer for all of the outstanding shares in Discovery pursuant to Section 6-1 of the Norwegian Securities Trading Act (the "Offer"). This notification does not constitute an offer. The Offer will only be made on the basis of the offer document and can only be accepted pursuant to the terms of such document. Hercules, through Hercules Discovery Ltd., will make the Offer within the time limit set out in the Norwegian Securities Trading Act. In the context of the Offer, the price of NOK 15.00 is the highest price paid or agreed to be paid per share in Discovery by Hercules during the last 6 months.</p> <p>The Offer will not be made in any jurisdiction in which the making of such offer would not be in compliance with the laws of such jurisdiction. The Offer will include U.S. shareholders in Discovery.</p> <p>Hercules executives, Stephen M. Butz and James W. Noe, serve on the board of directors of Discovery.</p> <p>The information contained herein is subject to the disclosure requirements set out in the Norwegian Securities Trading Act section 5-12. Pareto</p>

Securities and Deutsche Bank are acting as financial advisors to Hercules on this transaction.

About Discovery:

Discovery Offshore is a Luxembourg-based public limited liability company incorporated on 12 January 2011 for the purpose of owning new ultra high specification jackup drilling rigs. Discovery Offshore's main assets are two Keppel FELS Super A high specification harsh environment jackup rigs. The first rig, Discovery Triumph, was delivered on June 7, 2013 and delivery of the second rig, Discovery Resilience, is scheduled for October 2013. For additional information about Discovery Offshore S.A., please visit Discovery's website at www.discoveryoffshore.lu.

About Hercules:

Hercules is a Delaware corporation headquartered in Houston, Texas. Its shares are traded on the NASDAQ Global Select Market under the symbol "HERO". Hercules operates a fleet of 38 jackup rigs, 13 barge rigs and 63 liftboats. The Company offers a range of services to oil and gas producers to meet their needs during drilling, well service, platform inspection, maintenance, and decommissioning operations in several key shallow water provinces around the world. For more information, please visit Hercules' website at www.herculesoffshore.com.

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