

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

**ARBITRATION BETWEEN CH OFFSHORE LTD. AND (1) INTERNAVES CONSORCIO NAVIERO S.A., (2) MARITIMA ALTAIR PETROMAR S.A., AND (3) LAMAT OFFSHORE MARINE INC.
– SETTLEMENT**

The Board of Directors (the "**Board**") of BAKER TECHNOLOGY LIMITED (the "**Company**", together with its subsidiaries, the "**Group**") refers to its announcements and the announcements of CH Offshore Ltd. ("**CHO**"), a subsidiary of the Company, dated 23 August 2019, 16 December 2019, 2 July 2020 and 28 July 2020 relating to the arbitration proceedings brought by 3 ship brokers (the "**Claimants**") against CHO for unpaid brokers' commissions and damages amounting to US\$3,736,289.

The Board also refers to the announcement of CHO of even date ("**CHO Announcement**") where CHO disclosed that parties have agreed to a full and final settlement of all claims brought by the Claimants against CHO (the "**Settlement**") under the arbitration proceedings for the settlement amount of US\$5,250,000 ("**Settlement Amount**"), upon due payment of which, the Claimants shall fully and irrevocably discharge, waive and release CHO from all and any such claims. The announcement also stated that the Settlement Amount took into account the value of the unpaid brokers' commissions plus interest accrued thereon, as well as legal and other recoverable costs incurred by the Claimants relating to the arbitration proceedings which CHO had agreed to bear.

As stated in the Company's previous announcements, CHO had, in view of the arbitral award, made a provision for brokers' commission in its financial statements for the year ended 31 December 2019. The provision substantially covered the Settlement Amount. It is noted from the CHO Announcement that there will be an incremental financial impact of the Settlement on CHO for the current financial year ending 31 December 2020. Such being the case, there will also be a corresponding but lower financial impact on the Group for the same financial period. **For illustrative purposes only**, based on the unaudited consolidated financial statements of the Group for the half year ended 30 June 2020 ("**1H2020**") and assuming the Settlement payment was made on 30 June 2020, the financial effects of the Settlement¹ would have been:

	1H2020 (unaudited, as at 30 June 2020)	
	Before the Settlement	After the Settlement
Net asset value per share (Singapore cents)	103.2	103.1
Earnings per share (Singapore cents)	(1.16)	(1.26)

By Order of the Board
Lim Mee Fun
Company Secretary
24 August 2020

¹ The financial effects are prepared based on historical financial data for 1H2020 and based on 202,877,948 ordinary shares in issue (excluding treasury shares). The financial effects shown above are purely for illustrative purposes only and should not to be taken as indicative of the actual or future financial position of the Group following the Settlement.