



2Q & 1H2014 Results Briefing

31 July 2014



Executive Summary

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▪ 2Q2014 Performance

- Net profit stands at \$0.7million due to the absence of divestment gain in 2013.
- Revenue fell from \$22.1 million to \$17.8 million compared to 2Q2013, due to lower revenue recognition for existing projects.
- Gross profit eased 16% to \$3.9 million.

▪ 1H2014 Performance

- Revenue declined 23% to \$36.3 million as compared to \$47.2 million in 1H2013.
- Group's net order book as at June 2014 remains healthy at US\$61 million compared to US\$54 million as at end March 2014.
- Financial position is strong with \$153.9 million in cash and short-term deposits with zero gearing.
- Shareholders' funds down 15% as at 30 June 2014 due to payment of dividends of \$45.2 million to shareholders. This is partially offset by proceeds from the conversion of warrants and retained profits for the period.

Recent Awards

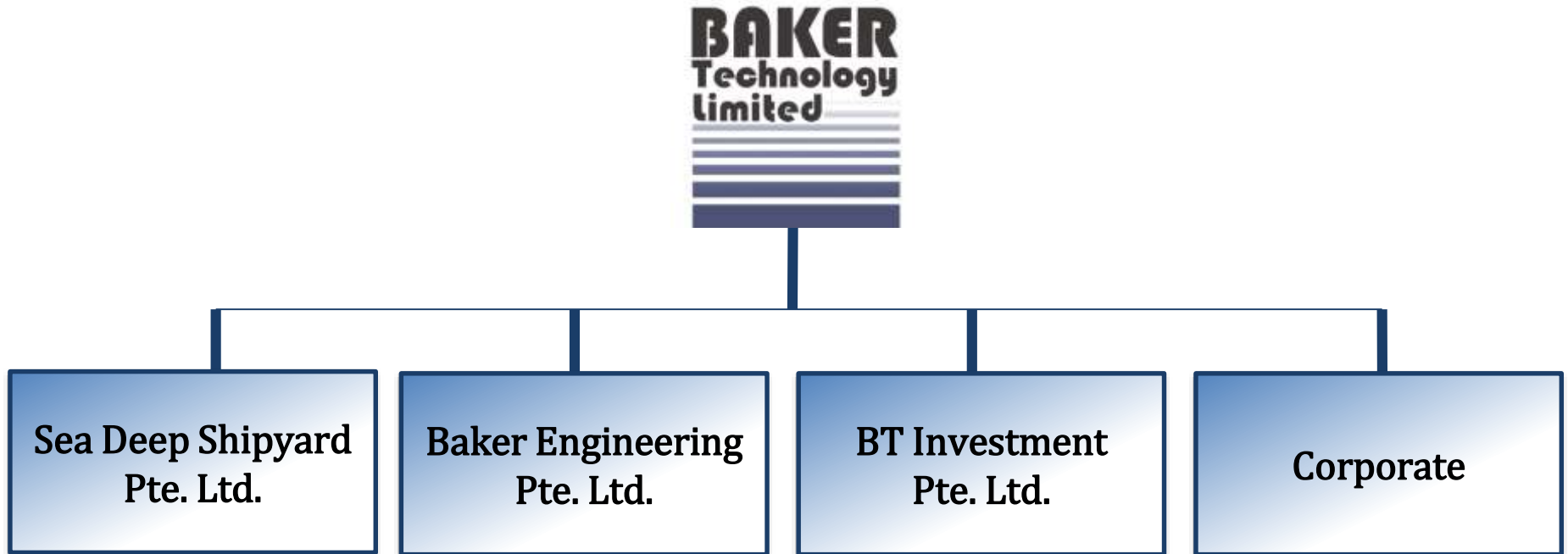
- Singapore Corporate Awards 2014
 - Best Managed Board – Gold
 - Second Gold award
 - Best Annual Report – Silver
 - Third Silver award
 - *For companies with less than \$300m in market capitalisation*





Subsidiaries

Organisational Structure



Baker Technology is a leading manufacturer and provider of specialised equipment and services for the oil & gas industry.

Our Subsidiaries



- A niche manufacturer of highly specialised equipment and components for use on drilling rigs in the offshore environment. Also provides repairs and refurbishment for such equipment.
- Customers comprise mainly of national oil companies and major rig builders in China, Singapore and Middle East.



Our Subsidiaries



- Design, engineering, project development and shipbuilding for the oil & gas industry
- Completed the design of a state-of-the-art Liftboat (self-propelling multi-purpose jack up vessel)



- Construction has commenced in our Singapore yard for sale or ownership and charter with or without partners



Our Subsidiaries



- Type: Class 320 Liftboat (BEL320-4R200S)
- Class: ABS Classification ✕ A1, Self-Elevating Unit, AMS, ACCU, DPS2 Unrestricted Service
- Hull Dimensions:
 - Length of main deck: 64.0m
 - Overall length including helideck 80.0m
 - Breadth of main deck: 40.0m
 - Depth of main hull: 6.2m
- Design Loads:
 - Total variable load: 1500MT
 - Main deck loading in working areas: 10MT/m²
 - Total deck area: 1000m²
- Accommodation: 200 pax
- Deck cranes: 300MT & 50MT
- Transit speed: 5~6 knots
- Total power: 6500eKW



Our Subsidiaries



- Acquisitions and strategic alliances with companies.
- Potential sectors:-
 - ✓ *Oil & gas*
 - ✓ *Offshore marine*
- Geographical spread:-
 - ✓ *International*
 - ✓ *Domestic*

Financial Performance Review












2Q2014 Financial Performance

Y/E 31 Dec	2Q2014 (S\$ million)	2Q2013 (S\$ million)	% Change
Revenue	17.8	22.1	↓ 20%
Gross Profit	3.9	4.7	↓ 16%
Other op income/ expenses, net	(0.3)	1.0	NM
Gain on disposal of associate	-	8.9	↓ 100%
Profit before Tax	1.2	12.2	↓ 90%
Profit after Tax	0.7	11.3	↓ 93%
EPS (cents) [^]	0.08	1.35	↓ 94%
Fully Diluted EPS ⁺ (cents)	0.07	1.15	↓ 94%

[^]Based on weighted average number of ordinary shares of 898,248,648 for the quarter ended 30 June 2014
(30 June 2013- 840,620,599 shares)

⁺Based on weighted average number of ordinary shares adjusted for dilutive effective of 111,828,222 warrants as at
30 June 2014 (30 June 2013- 144,779,822 warrants)

1H2014 Financial Performance

Y/E 31 Dec	1H2014 (S\$ million)	1H2013 (S\$ million)	% Change
Revenue	36.3	47.2	 23%
Gross Profit	8.8	10.7	 17%
Admin Expenses	(5.1)	(3.8)	 34%
Other op income/ expenses, net	(0.2)	1.1	NM
Gain on disposal of associate	-	8.9	 100%
Share of results from assoc	-	(0.5)	 100%
Profit before Tax	3.5	16.4	 78%
Profit after Tax	2.5	14.6	 83%
EPS (cents)*	0.28	1.84	 85%
Fully Diluted EPS ⁺ (cents)	0.26	1.56	 83%

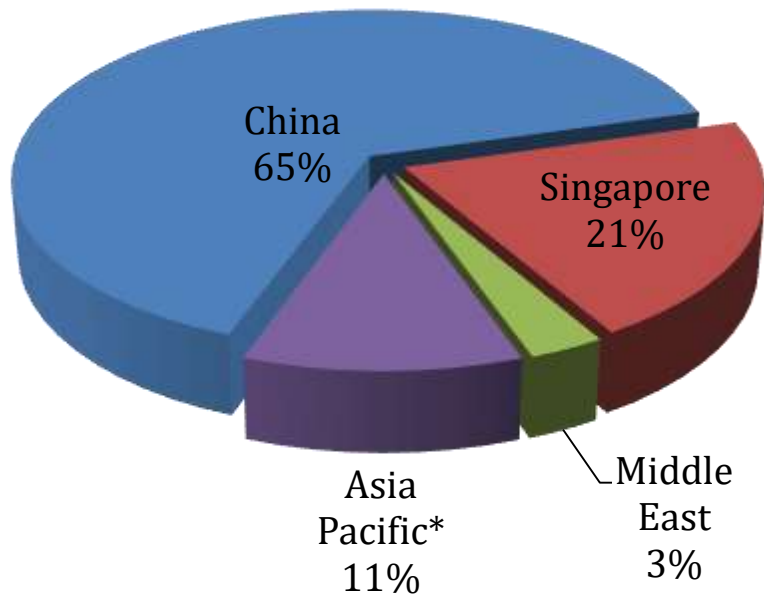
*^Based on weighted average number of ordinary shares of 885,511,434 for the six months ended 30 June 2014
(30 June 2013- 791,766,461 shares)*

*+ Based on weighted average number of ordinary shares adjusted for dilutive effective of 111,828,222 warrants as at
30 June 2014 (30 June 2013- 144,779,822 warrants)*

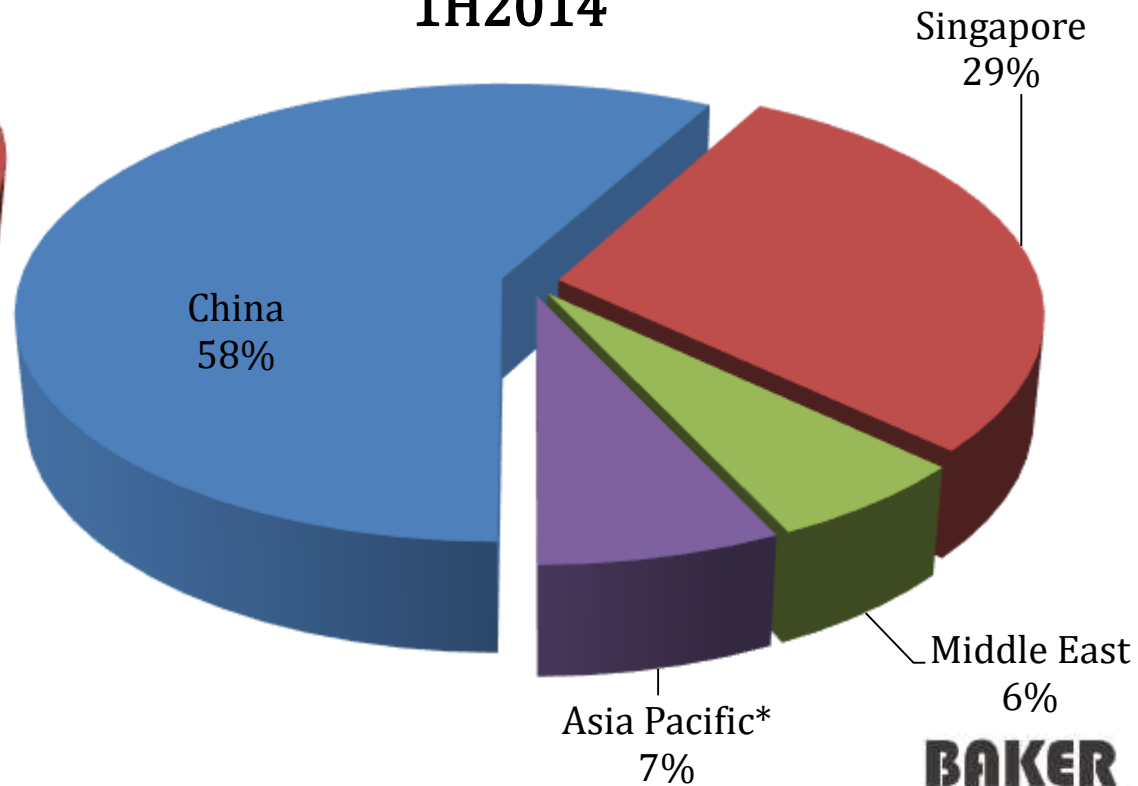


Revenue Breakdown by Geographical Area

1H2013



1H2014

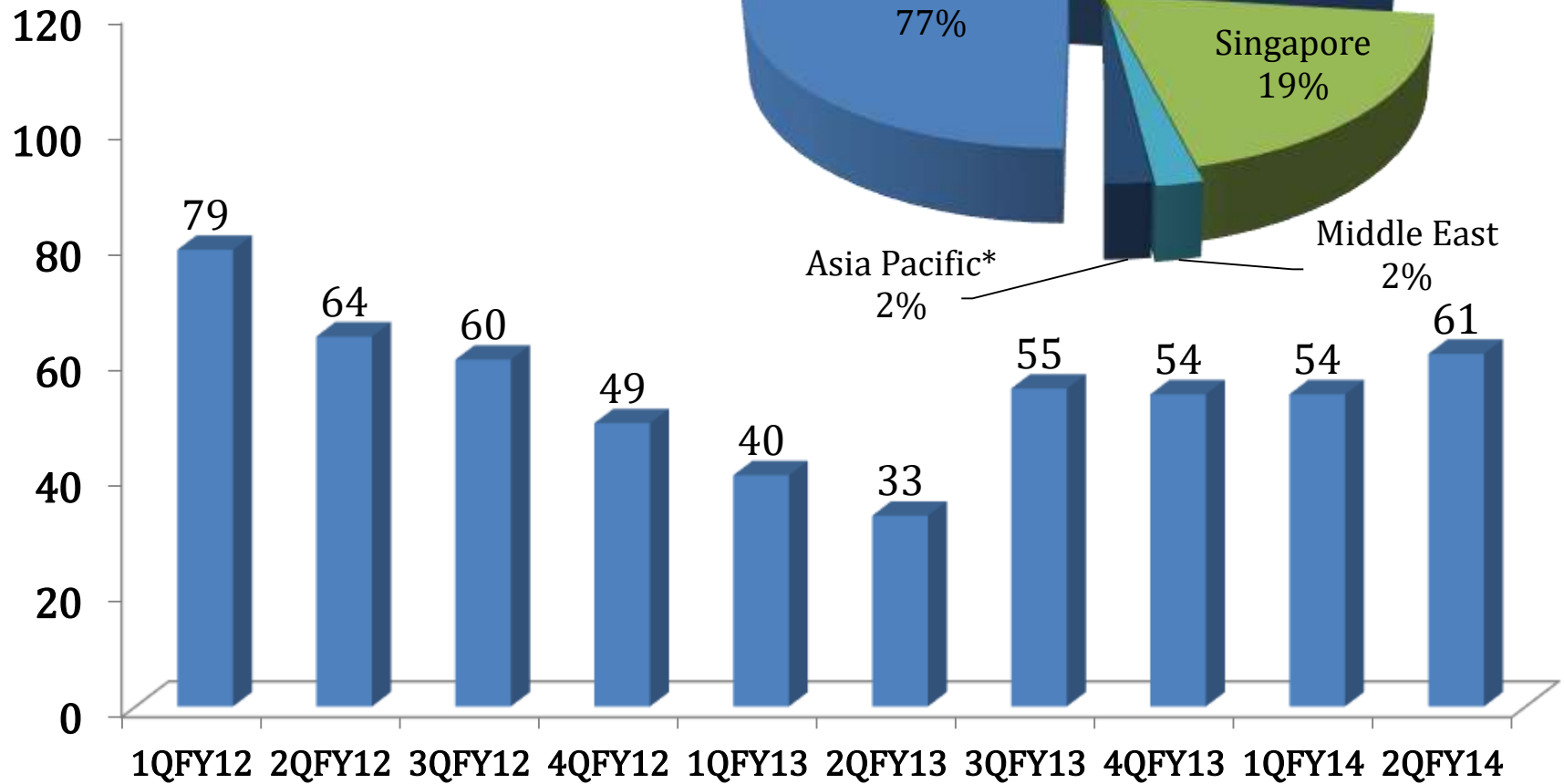


*excluding China & Singapore

Net Order Book Trend

1H2014

US\$ million



*Excluding China and Singapore

Balance Sheet

	As at 30 Jun 2014 (S\$ million)	As at 31 Dec 2013 (S\$ million)
Current Assets	200.4	239.2
Current Liabilities	23.0	16.3
Total Assets	226.0	256.2
Total Liabilities	23.0	16.3
Shareholders Equity	203.1	239.8
Gearing	0%	0%
Available Cash	153.9	205.9

Cash Per Share : 17 cents

Outlook & Strategy

- The Group is optimistic on the long term fundamentals of the oil & gas industry given the ongoing queries on offshore components and equipment.
- BEPL has completed its design for a state-of-the-art Liftboat and will be commencing construction for future sale or ownership with charter.
- The Group is continuing to seek new opportunities to diversify and increase revenue streams.





Q&A

Thank You

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