The background of the slide is a photograph of an offshore oil rig. The rig is a large, complex structure with multiple levels and tall, lattice-like towers. It is situated in the middle of a blue body of water under a clear blue sky with some light clouds. The rig's base is a large, reddish-brown platform. The overall scene is industrial and maritime.

# 2Q & 1H2014 Results Briefing

31 July 2014





# Executive Summary

# Executive Summary

## ■ 2Q2014 Performance

- Net profit stands at \$1.0 million due to the absence of divestment gain in 2014.
- Revenue fell from \$22.1 million to \$17.8 million compared to 2Q2013, due to lower revenue recognition for existing projects.
- Gross profit eased 11% to \$4.2 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

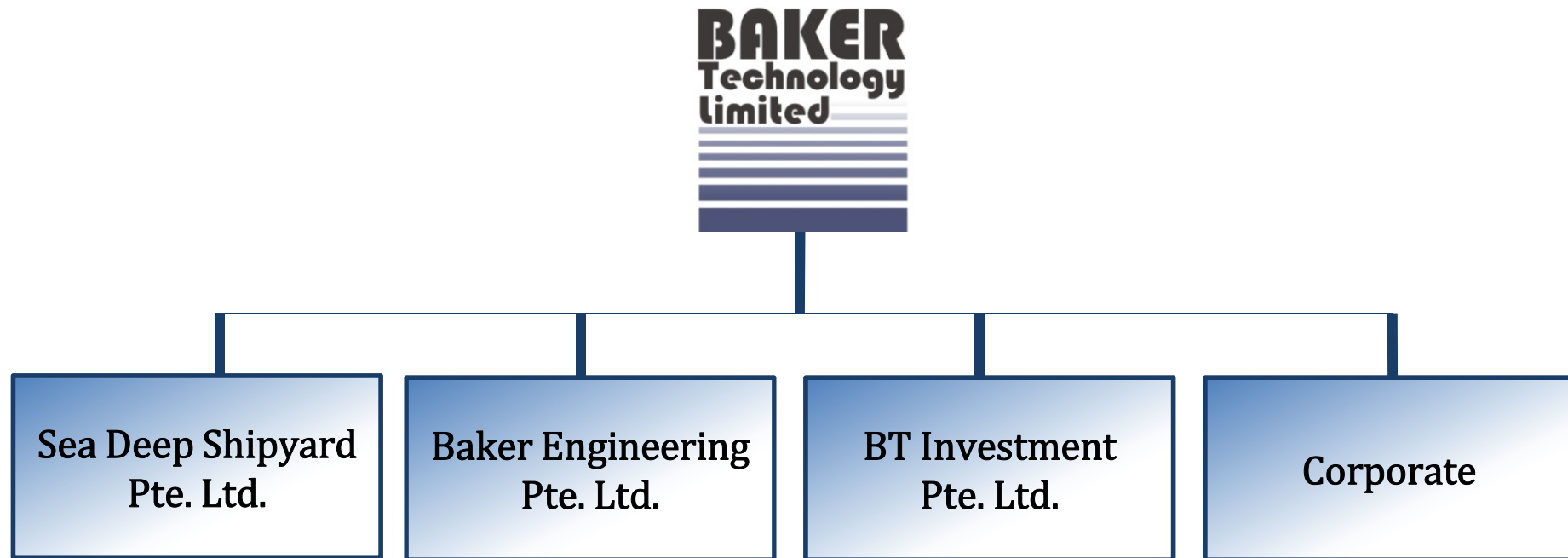
- Singapore Corporate Awards 2014
  - Best Managed Board – Gold
    - Second Gold award
  - Best Annual Report – Silver
    - Third Silver award
  - *For companies with less than \$300m in market capitalisation*





# 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 will be commencing 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/m<sup>2</sup>
  - Total deck area: 1000m<sup>2</sup>
- 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	4.2	4.7	↓	11%
Other op income/ expenses, net	(0.3)	1.0		NM
Gain on disposal of associate	-	8.9	↓	100%
Profit before Tax	1.4	12.2	↓	88%
Profit after Tax	1.0	11.3	↓	92%
EPS (cents) <sup>^</sup>	0.10	1.35	↓	93%
Fully Diluted EPS <sup>+</sup> (cents)	0.09	1.15	↓	92%

<sup>^</sup>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)

<sup>+</sup>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	9.1	10.7	↓ 15%
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	3.8	16.4	↓ 77%
Profit after Tax	2.7	14.6	↓ 81%
EPS (cents)*	0.31	1.84	↓ 83%
Fully Diluted EPS <sup>+</sup> (cents)	0.29	1.56	↓ 81%

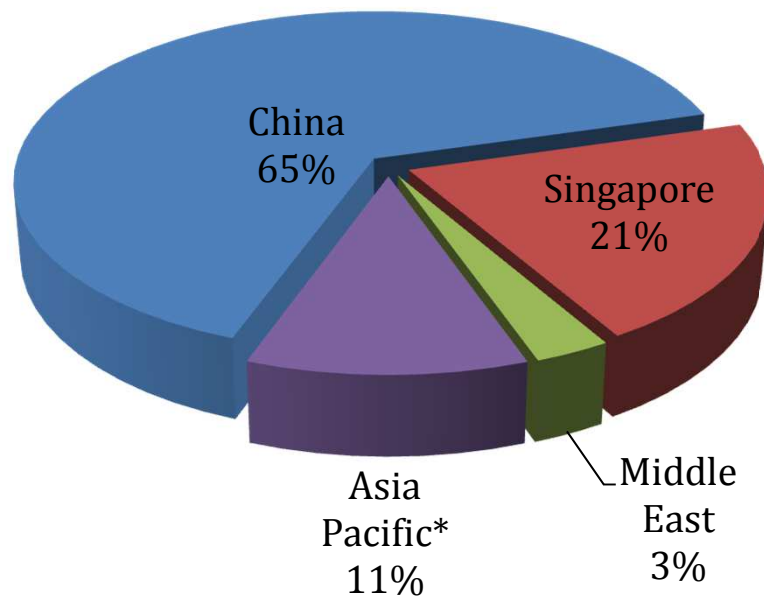
*^Based on weighted average number of ordinary shares of 885,511,434 for the six months ended 30 June 2014  
(30 June 2013- 791,766,461 shares)*

*+ 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)*

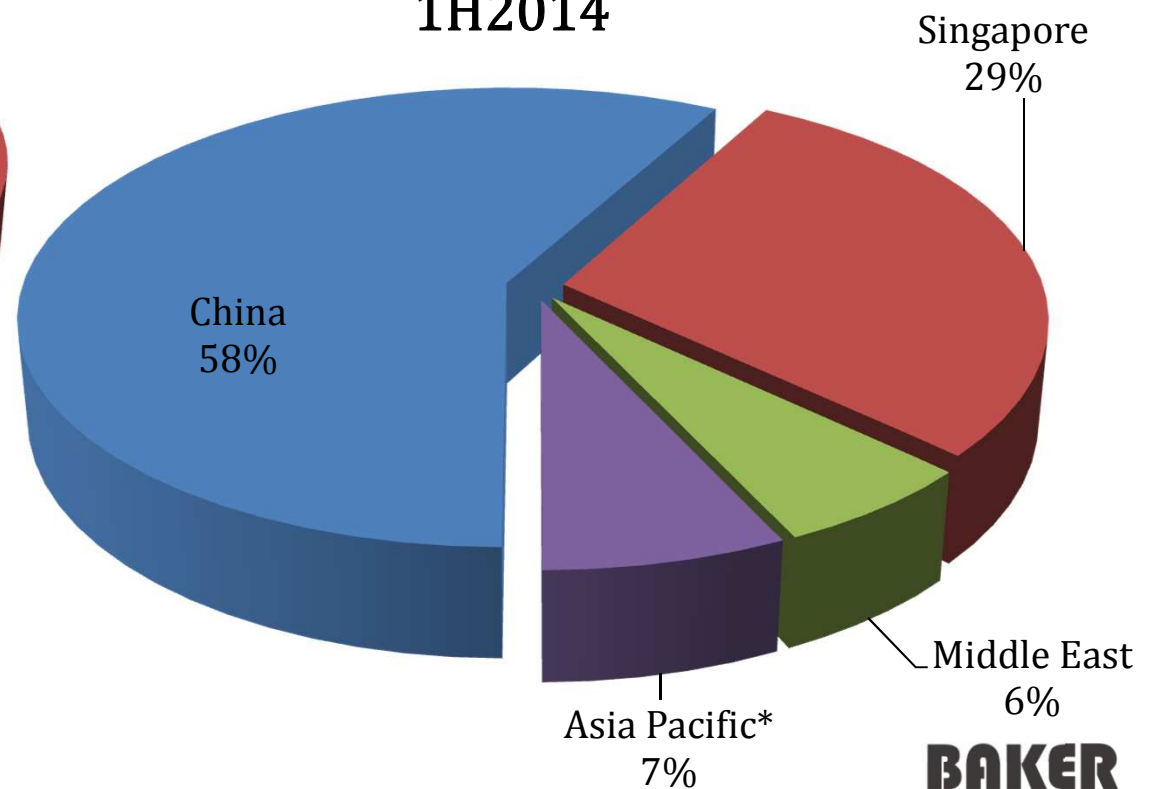


# Revenue Breakdown by Geographical Area

1H2013

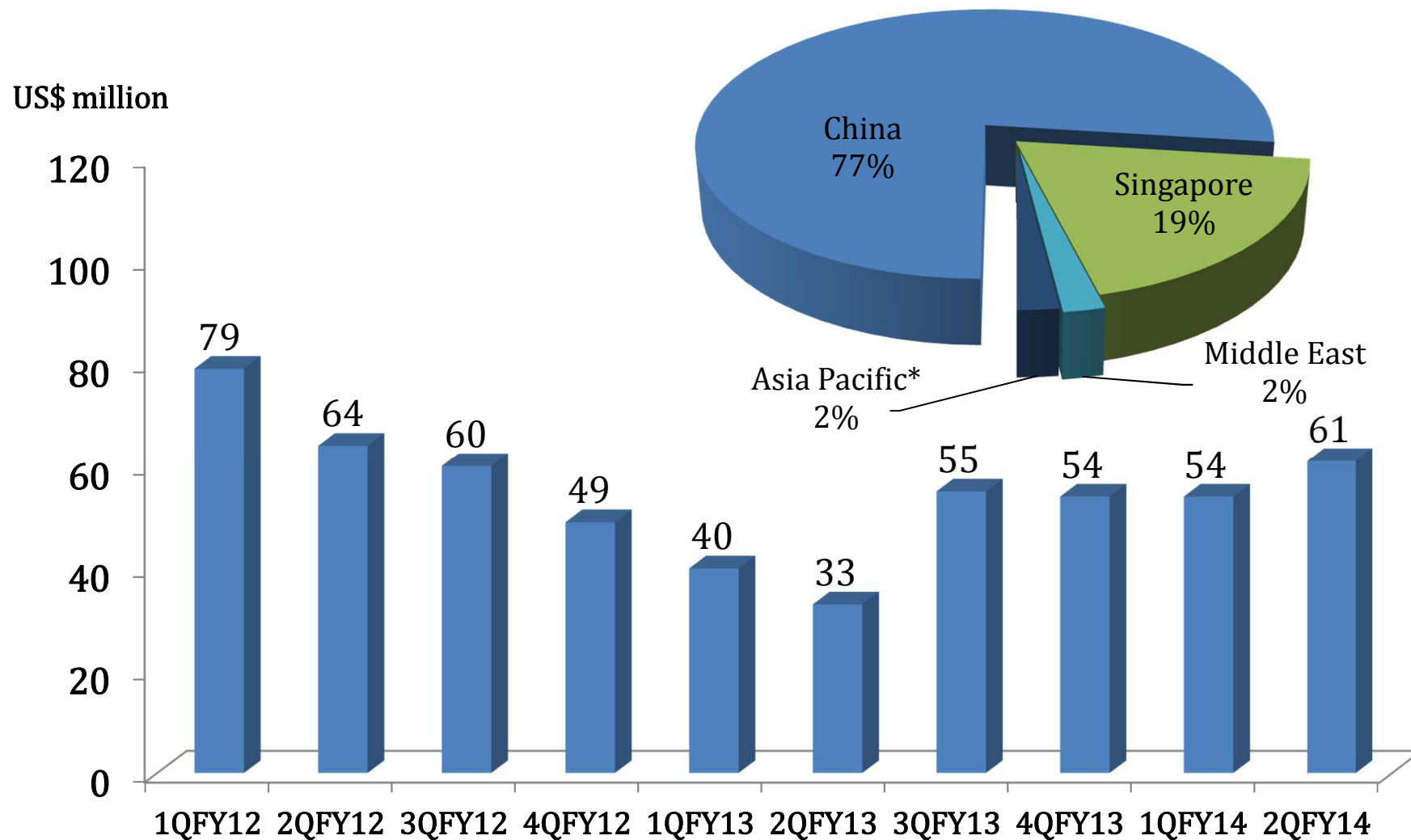


1H2014



\*excluding China & Singapore

# Net Order Book Trend



\*Excluding China and Singapore



# Balance Sheet

	As at 30 Jun 2014 (S\$ million)	As at 31 Dec 2013 (S\$ million)
Current Assets	200.6	239.2
Current Liabilities	23.0	16.3
Total Assets	226.3	256.2
Total Liabilities	23.0	16.3
Shareholders Equity	203.3	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 enquiries 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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