

2Q & 1H FY2012 Results Briefing

24 July 2012

Opening Address by Mr Lim Ho Seng, Chairman

- **Record quarterly performance boosted by deferred gains of S\$58.2 million from disposal of PPLH**
 - Sembcorp Marine's claims were dismissed in its entirety and its appeal on the judgement has no further bearing on the disposal of PPLH
- **Core operations performed well**
 - 2Q revenue up 30% to \$25.0 million, gross profit up 55% to \$7.1 million, net profit of \$61.3 million
 - 1H revenue doubled to \$60.1 million, gross profit up 21% to \$12.0 million, net profit of \$74.9 million
 - Order book still at a healthy level of US\$64 million
- **M&A strategy for growth to pick up momentum**
 - Cash of \$154.8 million (22.0 cents per share).
- **Other significant events in 1H 2012**
 - Increased investment in Discovery Offshore from 17% to 19%
 - Won Silver Award for Best Annual Report* in Singapore Corporate Awards 2012



Recognition of Gains of Disposal of PPL Holdings

Baker Tech has fulfilled its obligations to QD Asia under the Amendment and Novation Agreement, it will retain the US\$116.25 million and recognise the gain on disposal of S\$58.2 million.

Under the Amendment and Novation Agreement dated 1 Sept 2010 relating to the disposal of the PPLH to QD for US\$116.25 million, it was provided 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 Agreement in respect to that 15.0% shareholding interest in PPL Shipyard*

Baker Tech shall then repay the US\$116.25 million to QD.

Recognition of Gains of Disposal of PPL Holdings

Original Claims by SCM to High Court of Singapore:

- Rule that the Joint Venture Agreement is no longer in force
- Direct PPLH and E-interface to transfer the remaining 15% shareholding interest in PPL Shipyard to SCM
- Order PPLH and E-interface to pay damages for disclosing or causing to disclose confidential information to PPL Shipyard to third party buyer in breach of the JVA

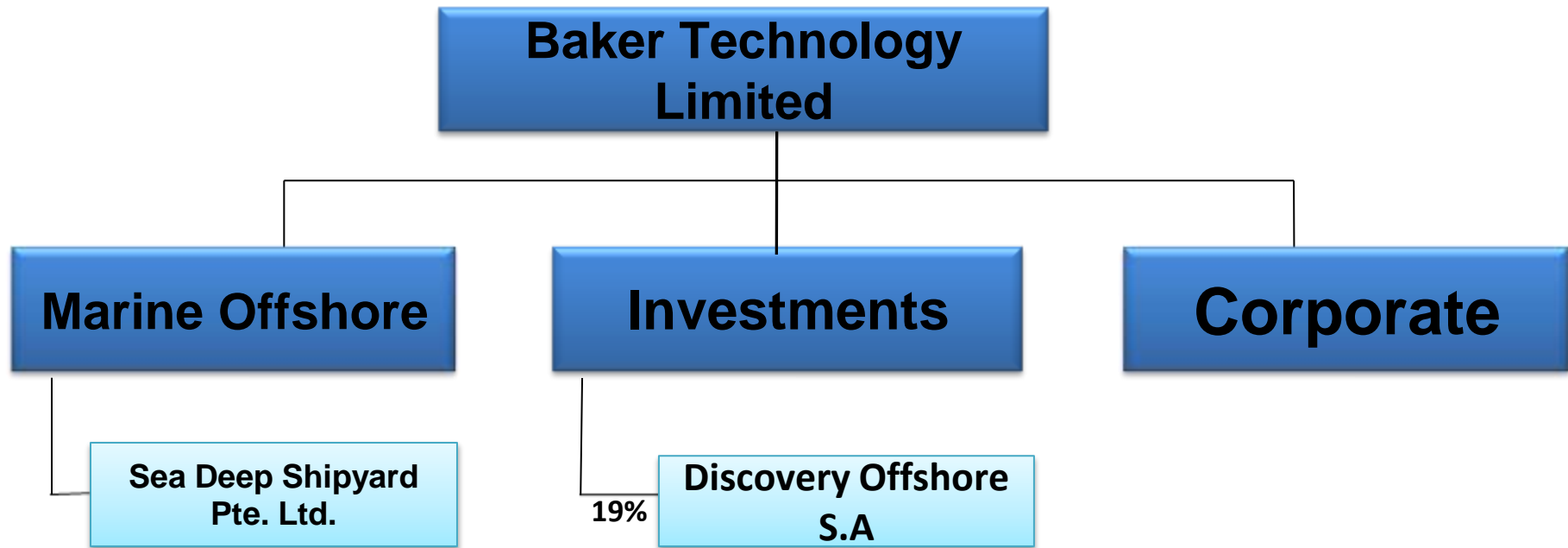
High Court of Singapore dismissed SCM's claims in its entirety.

Appeal by SCM to Court of Appeal

- 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 JVA due to the a breach by PPLH
- iii. Certain resolutions and orders which are consequential on the findings relating to the (i) and (ii)

Parties to the legal suit are PPL Holdings and E-interface; QD Asia has been the owner of PPL Holdings an E-interface since October 2010.

Baker Tech Business Structure



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

History & Milestones

| | |
|------------------|---|
| May 2000 | Saberon Investments acquired controlling stake in SGX-SESDAQ listed Wassall Asia Pacific, a manufacturer of trailer axles, and renamed the company Baker Technology Limited |
| May 2007 | Baker Tech acquired PPL Holdings (which owns a 15% stake in PPL Shipyard) for S\$3.6million |
| Oct 2007 | Baker Tech sold 51% stake in York Transport Equipment Asia to TRF Singapore (part of Tata group) for S\$16.6 million |
| Apr 2008 | Baker Tech acquired Sea Deep Shipyard Pte Ltd for S\$20.0 million |
| Nov 2009 | Completed a renounceable non-underwritten rights issue of 327.4 million warrants at 1.0cents each |
| Apr 2010 | Won Silver Award for Best Managed Board (for companies with market capitalisation of less than S\$300 million) in Singapore Corporate Awards |
| Sept 2010 | Featured as one of only eight companies in Singapore on Forbes Asia's "Best under a Billion" List |
| Oct 2010 | Disposed of entire issued and paid up capital of PPL Holdings to QD Asia Pacific Ltd for cash consideration of US\$116.25 million |
| Jul 2011 | Won Gold Award for Best Managed Board and Silver Award for Best Annual Report in Singapore Corporate Awards 2011 (for companies with market capitalisation of less than S\$300 million) |
| Feb 2011 | Acquired minority stake of Discovery Offshore S.A |
| Mar 2012 | Completed disposal of remaining 49% stake in York Transport Equipment (Asia) Pte Ltd for cash consideration of S\$22.2m |
| Jun 2012 | Completed a renounceable non-underwritten rights issue of 280.1 million warrants at 1.0cents each |
| Jul 2012 | Won Silver Award for Best Annual Report in Singapore Corporate Awards 2012 (for companies with market capitalisation of less than S\$300 million) |

Sea Deep Shipyard

- 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.



Discovery Offshore S.A

- Discovery Offshore is incorporated in Luxembourg on January 12, 2011
- Listed on Oslo stock exchange in May 2011.
- A pure-play, ultra high-specification jackup drilling company, with two rigs under construction by Keppel Fels; expected to take delivery in June 2013 and 4Q2013.
- Hercules Offshore, Inc., a leading global provider of jackup drilling and liftboat services, will manage the rig construction process, and perform the marketing and operations of the rigs once they are in service.



Financial Performance Review



2Q 2012 Financial Performance

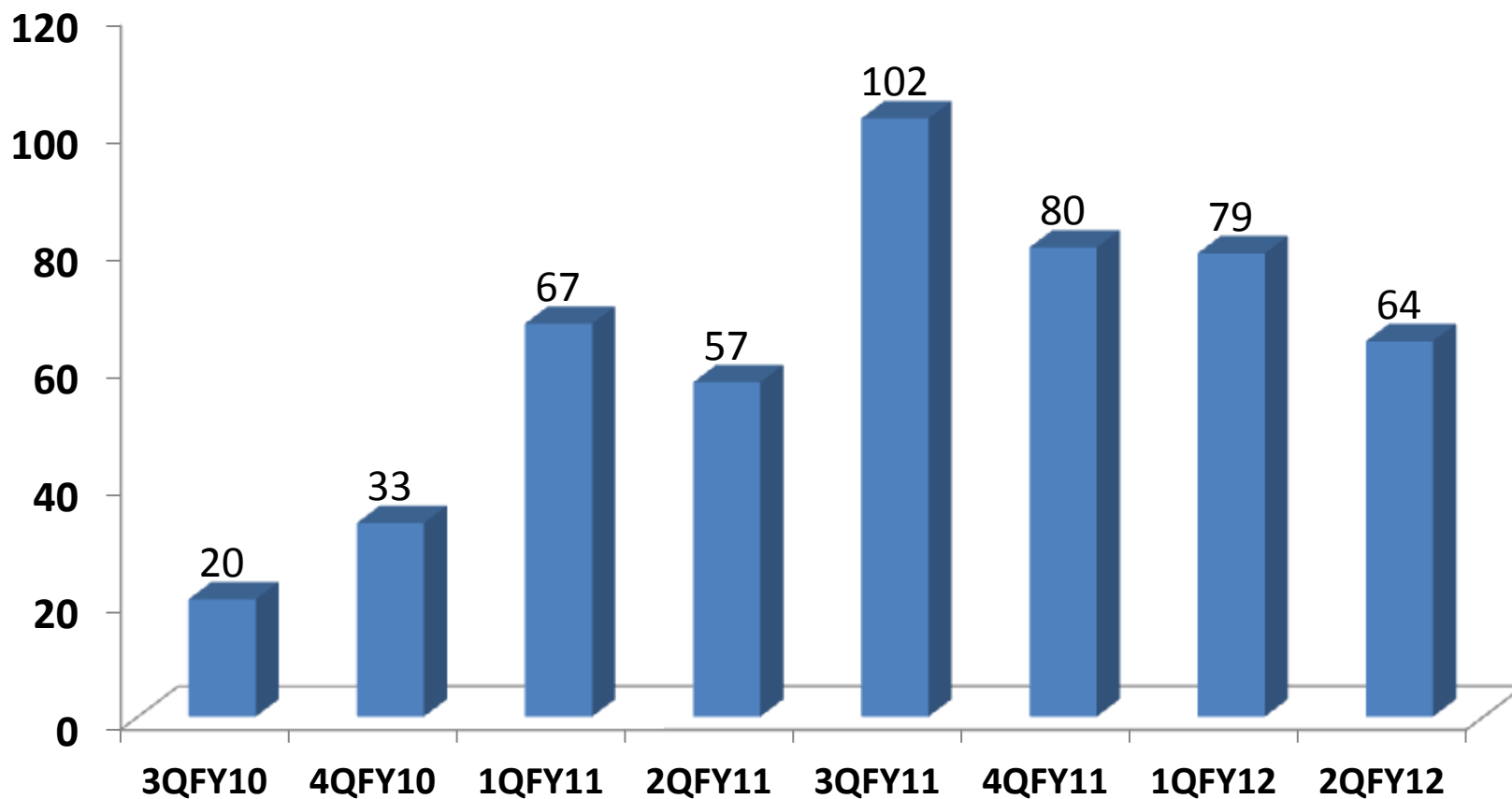
| Y/E 31 Dec | 2Q 2012 (S\$ million) | 2Q 2011 (S\$ million) | % Change |
|--|--------------------------|--------------------------|---|
| Revenue | 25.0 | 19.3 |  30% |
| Gross Profit | 7.1 | 4.6 |  55% |
| Other Operating Income/(expenses) | 57.8 | (2.1) | NM |
| Profit/(loss) before Tax | 62.3 | (0.6) | NM |
| Profit/(loss) after Tax | 61.3 | (0.9) | NM |
| EPS (cents)^ | 8.76 | (0.13) | NM |
| Fully Diluted EPS ⁺ (cents) | 5.70 | (0.13) | NM |

[^]Based on weighted average number of ordinary shares of 700,208,367 for the financial period ended 30 Jun 2012
(30 Jun 2011- 687,893,952 shares)

⁺ Based on number of ordinary shares adjusted for dilutive effective of 280,117,952 warrants for the period ended 30 Jun 2012
(30 Jun 2011- 282,662,881 warrants)

Net Order Book Trend

US\$ million



1HFY2012 Financial Performance

| Y/E 31 Dec | 1HFY 2012 (S\$ million) | 1HFY 2011 (S\$ million) | % Change | |
|--|----------------------------|----------------------------|----------|---------|
| Revenue | 60.1 | 29.9 | ↑ | 101% |
| Gross Profit | 12.0 | 9.9 | ↑ | 21% |
| Admin Expenses | 4.6 | 5.4 | ↓ | 15% |
| Other Op income/(expenses), net | 68.6 | (3.5) | | NM |
| Share of results from assoc | 0.6 | 0.6 | | - |
| Profit before Tax | 76.5 | 1.6 | ↑ | 4,723% |
| Profit after Tax | 74.9 | 0.5 | ↑ | 14,680% |
| EPS (cents)* | 10.7 | 0.07 | ↑ | 15,186% |
| Fully Diluted EPS ⁺ (cents) | 7.64 | 0.05 | ↑ | 15,180% |

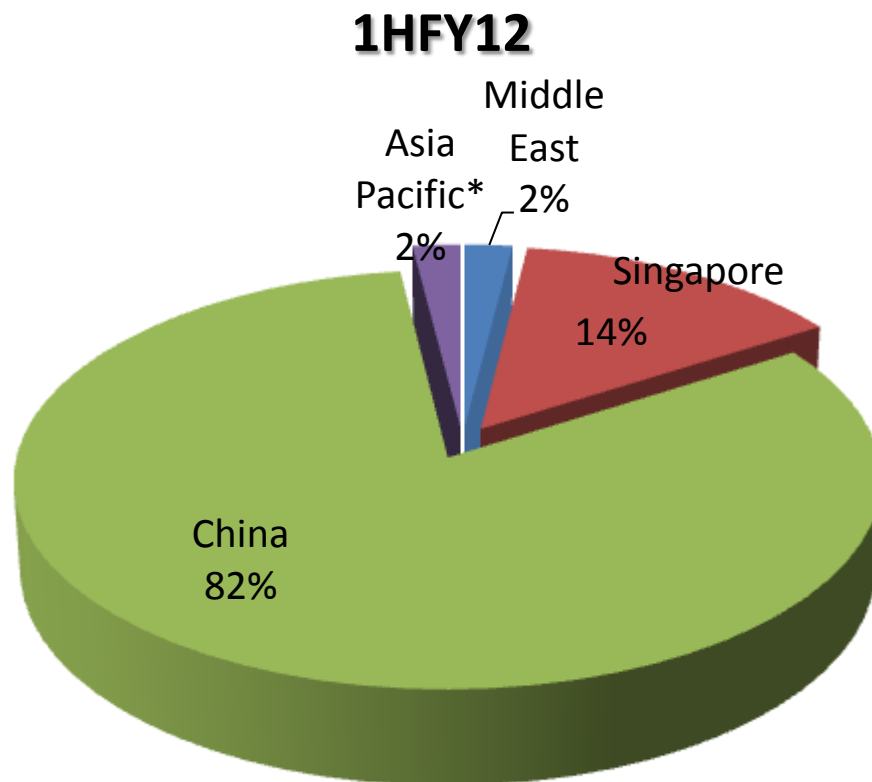
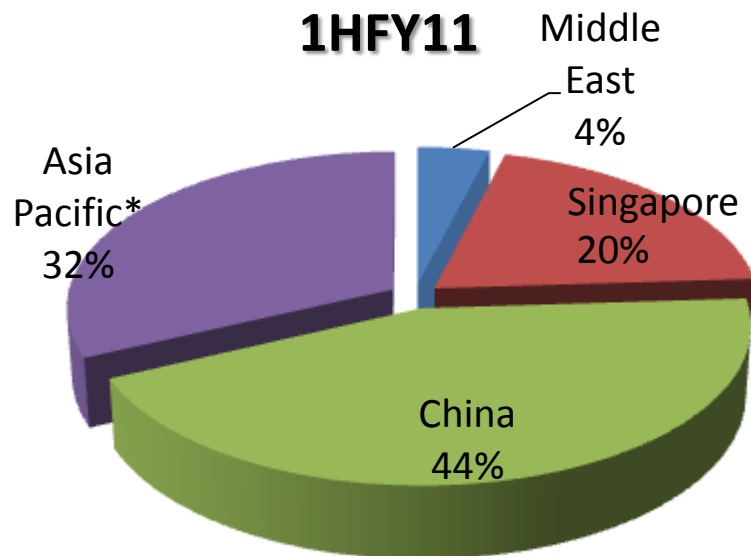
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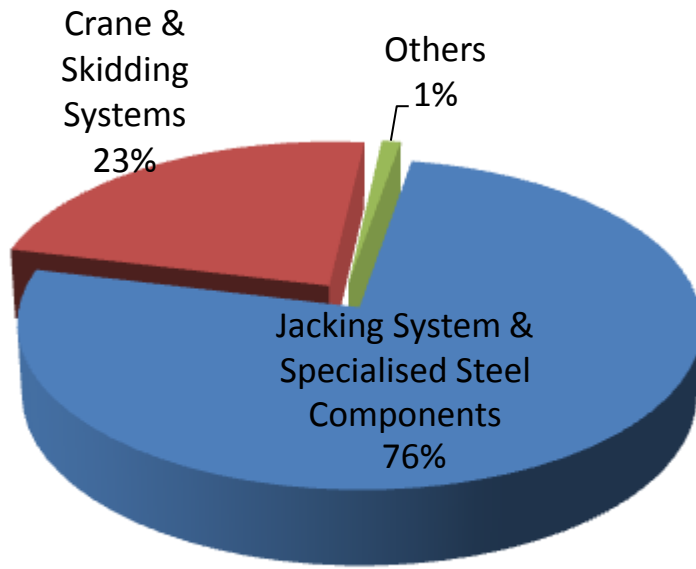
1H2012 Revenue Breakdown by Geographical Area



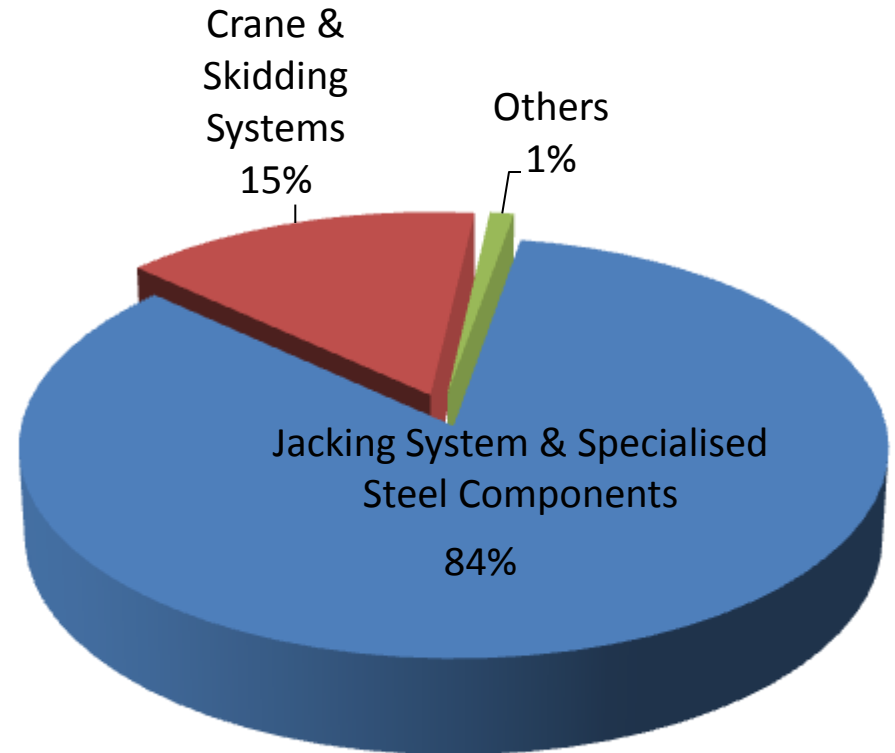
*excluding China & Singapore

1H2012 Revenue Breakdown by Product

1H2011

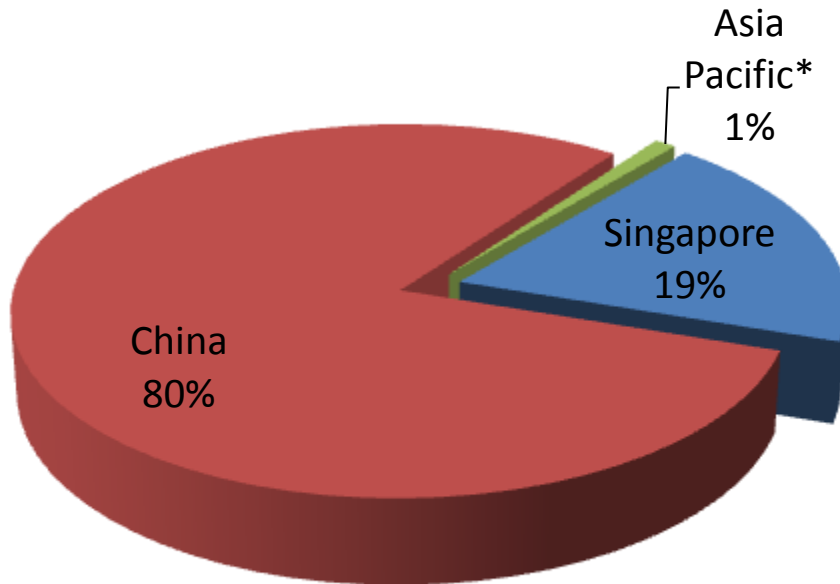


1H2012



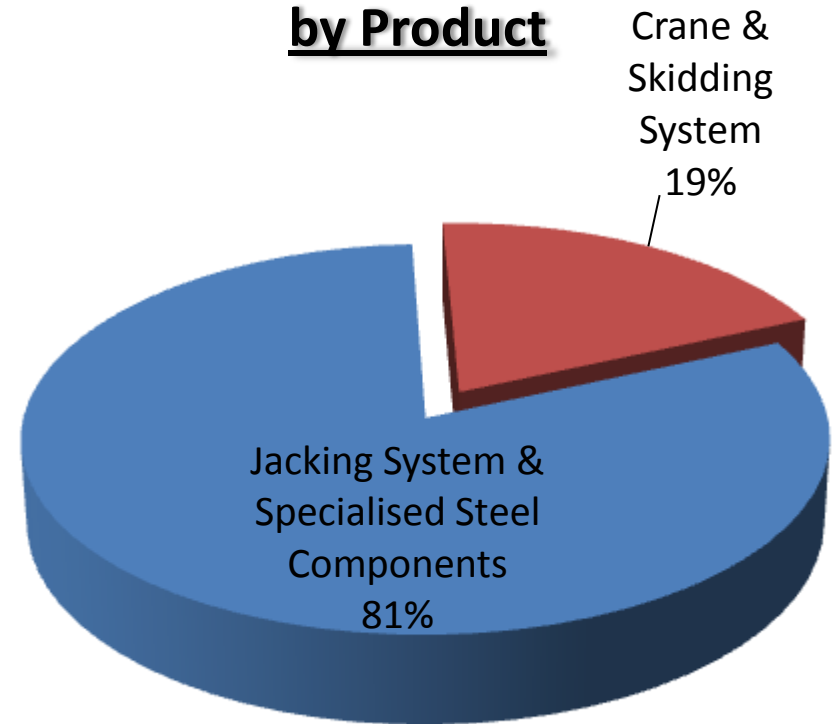
Net Orderbook Breakdown to date

by Geographical Area



*Excluding China and Singapore

by Product



Robust Balance Sheet

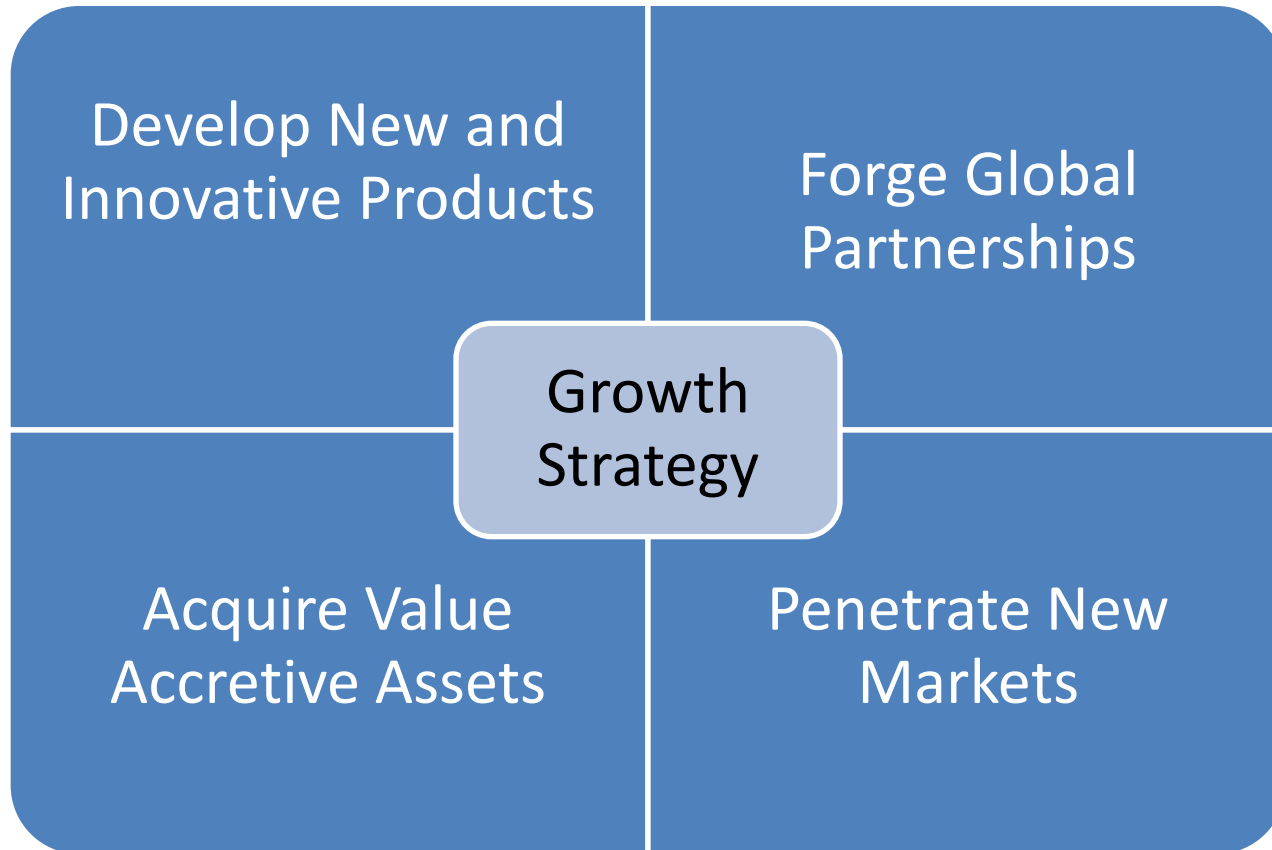
| | As at 30 Jun 2012 (S\$ million) | As at 31 Dec 2011 (S\$ million) |
|----------------------------|------------------------------------|------------------------------------|
| Current Assets | 241.0 | 225.5 |
| Current Liabilities | 32.5 | 95.6 |
| Total Assets | 276.9 | 267.4 |
| Total Liabilities | 32.5 | 95.6 |
| Shareholders Equity | 244.4 | 171.8 |
| Gearing | 0 | 0 |
| Available Cash | 154.8 | 169.3 |

Cash Per Share :S\$0.22

Outlook

- **Net order book of US\$64 million to be completed over next 12 - 18 months**
- **Order enquiries affected by:**
 - **Eurozone debt crisis looming over global economy**
 - **Heightened volatility in financial markets**
 - **Credit tightness**

Growth Strategy



Q&A

Disclaimer

This presentation and pertaining discussions may contain statements that are forward looking with regards to the business & future performance of Baker Technology Limited and its subsidiaries. These statements reflect Baker Tech's current views, assumptions and projections based on, but not limited to, currently available information with regards to its existing and potential customers, markets and the prevailing economic conditions. These statements may involve risks and uncertainties which may cause Baker Tech's actual financial performance to differ materially from those in the forward-looking statements. Such statements, therefore, should not be regarded as an expressed or implied forecast of the future financial performance of Baker Tech. You are cautioned not to put undue reliance on this presentation.



Thank You

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