



# 4Q & FY2013 Results Briefing

19 February 2014





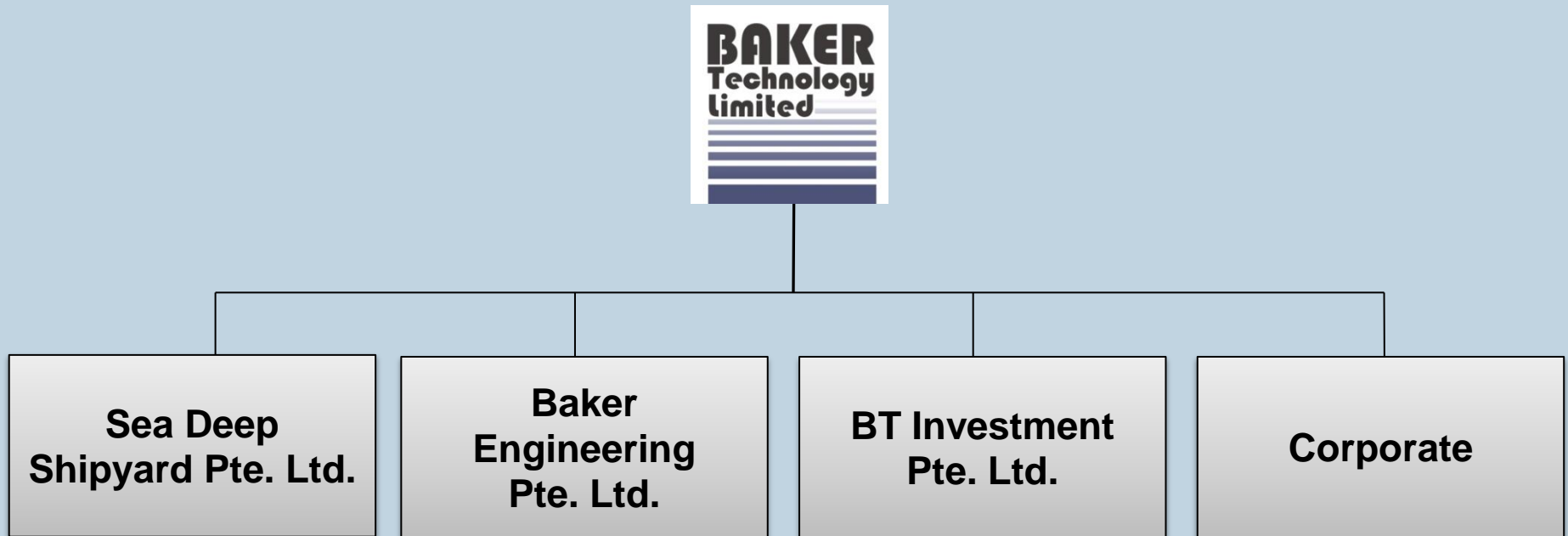
# Chairman's Opening Address



# Opening Address by Mr. Lim Ho Seng, Chairman

- 4Q2013 net profit S\$4.2 million, 340% higher than 4Q2012 despite marginal drop in revenue
- Profitability boosted by higher project margins and gains from favourable foreign exchange conditions
- FY2013 revenue of S\$83.3 million, a decrease of 15% owing to slower order intake in the first half of 2013
- Net profit S\$22.4 million, lower than in FY2012 due to lower gains on disposals
- Ended the year with cash holdings of S\$205.9 million (23.6 cents per share)
- Continuing the search for new opportunities to diversify the Group's income streams
- Established two new subsidiaries, Baker Engineering and BT Investment
- Slowdown in order intake for Sea Deep which lasted through to the middle of the year; order book has since shown signs of recovery
- Proposed ordinary dividend of 1 cent per share, and 4 cents special dividend
- 2012 warrants strike price will be adjusted from to S\$0.185 to S\$0.145

# Baker Tech Business Structure



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

# History & Milestones

<b>May 2000</b>	Saberon Investments acquired controlling stake in SGX-SESDAQ listed Wassall Asia Pacific, a manufacturer of trailer axles, and renamed the company Baker Technology Limited
<b>May 2007</b>	Baker Tech acquired PPL Holdings (which owned a 15% stake in PPL Shipyard) for S\$3.6million
<b>Oct 2007</b>	Baker Tech sold 51% stake in York Transport Equipment (Asia) Pte Ltd to TRF Limited (part of Tata group) for S\$16.6 million
<b>Apr 2008</b>	Baker Tech acquired Sea Deep Shipyard Pte Ltd for S\$20.0 million
<b>Sept 2010</b>	Featured as one of only eight companies in Singapore on Forbes Asia's "Best under a Billion" List
<b>Oct 2010</b>	Disposed of entire issued and paid up capital of PPL Holdings to QD Asia Pacific Ltd for US\$116.25 million
<b>May 2011</b>	Baker Tech acquired a 10.5% stake in Discovery Offshore S.A. for S\$18.8 million
<b>Jul 2011</b>	Won Gold Award for Best Managed Board and Silver Award for Best Annual Report in Singapore Corporate Awards(for companies with market capitalisation of less than S\$300 million)
<b>Sep 2011</b>	Increased stake to 17% of Discovery Offshore S.A. in the open market for approx S\$6.6 million
<b>Mar 2012</b>	Completion of disposal of remaining interest in York Transport Equipment (Asia) Pte Ltd to TRF Limited for S\$22.2 million
<b>Aug 2012</b>	Increased stake to 20% of Discovery Offshore S.A. in the open market for approx S\$1.8 million
<b>May 2013</b>	Incorporated a wholly-owned subsidiary, Baker Engineering Pte. Ltd.
<b>June 2013</b>	Disposed of 20% stake in Discovery Offshore S.A.
<b>Sep 2013</b>	Incorporated a wholly-owned subsidiary, BT Investment Pte. Ltd.

# Recent Updates

## **Baker Engineering Pte. Ltd.**

- Design, engineering, development and fabrication of components and equipment for the oil & gas and offshore marine industry
- Fabrication yard at 10 Jalan Samulun
  - Acquired last year
  - Staff moved in 4 weeks ago
  - In the process of completing the office renovation
  - Plans for workshop equipment and layout underway

## **BT Investment Pte. Ltd.**

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



# Marine Offshore subsidiary - 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.



Jacking Systems



Anchor Winches



Skidding Systems



Raw Water Tower



Offshore  
Pedestal Crane









# Financial Performance Review













# 4Q2013 Financial Performance

Y/E 31 Dec	4Q2013 (S\$ million)	4Q2012 (S\$ million)	% Change	
Revenue	15.4	16.4		6%
Gross Profit	6.4	5.0		28%
Other op income/ expenses, net	1.0	(0.3)		NM
Profit before Tax	5.2	1.4		284%
Profit after Tax	4.2	1.0		340%
EPS (cents)^	0.47	0.13		262%
Fully Diluted EPS <sup>+</sup> (cents)	0.40	0.09		344%

<sup>^</sup>Based on weighted average number of ordinary shares of 832,125,414 for the financial year ended 31 Dec 2013  
 (31 Dec 2012 - 707,031,802 shares)

<sup>+</sup> Based on weighted average number of ordinary shares adjusted for dilutive effective of 144,706,822 warrants for the period ended  
 31 Dec 2013 (31 Dec 2012- 280,040,952 warrants)

# FY2013 Financial Performance

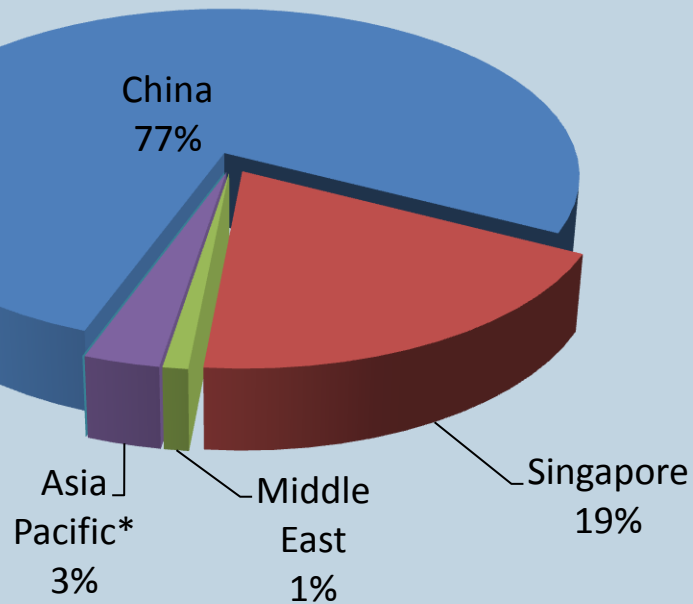
Y/E 31 Dec	FY2013 (S\$ million)	FY2012 (S\$ million)	% Change
Revenue	83.3	98.2	 15%
Gross Profit	23.8	25.1	 5%
Admin Expenses	(7.8)	(9.7)	 20%
Other op income/ expenses, net	10.6	69.0	 85%
Share of results from assoc	(0.5)	0.6	NM
Profit before Tax	26.1	84.8	 69%
Profit after Tax	22.4	81.6	 73%
EPS (cents)*	2.69	11.54	 77%
Fully Diluted EPS <sup>+</sup> (cents)	2.29	8.27	 72%

<sup>^</sup>Based on weighted average number of ordinary shares of 832,125,414 for the financial year ended 31 Dec 2013  
 (31 Dec 2012 - 707,031,802 shares)

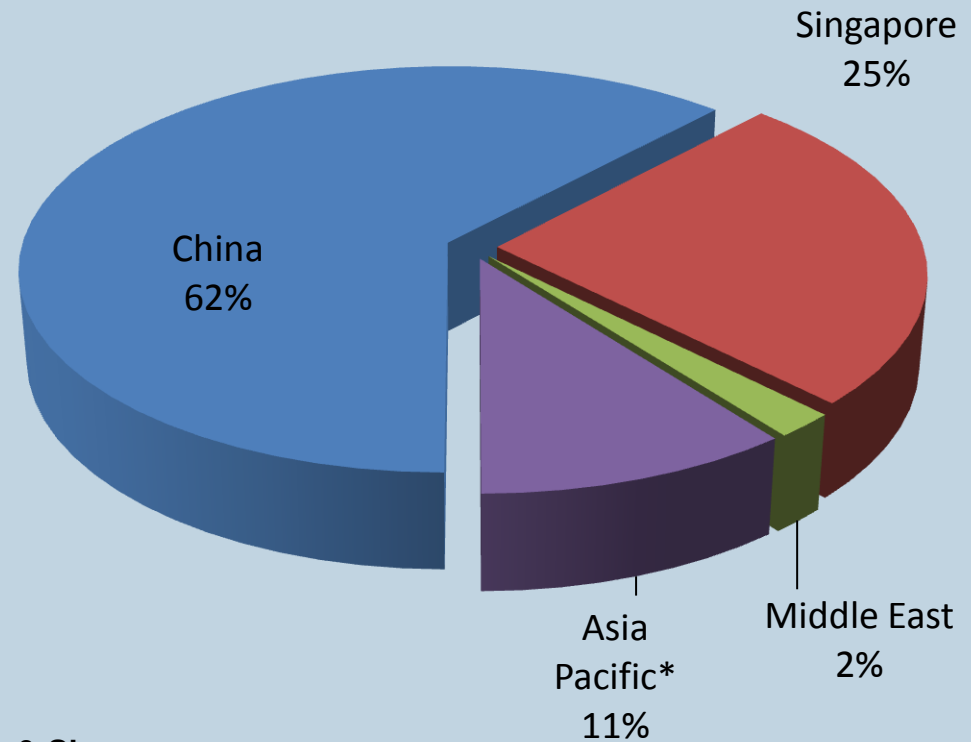
<sup>+</sup> Based on weighted average number of ordinary shares adjusted for dilutive effective of 144,706,822 warrants for the period ended  
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# Revenue Breakdown by Geographical Area

**FY2012**



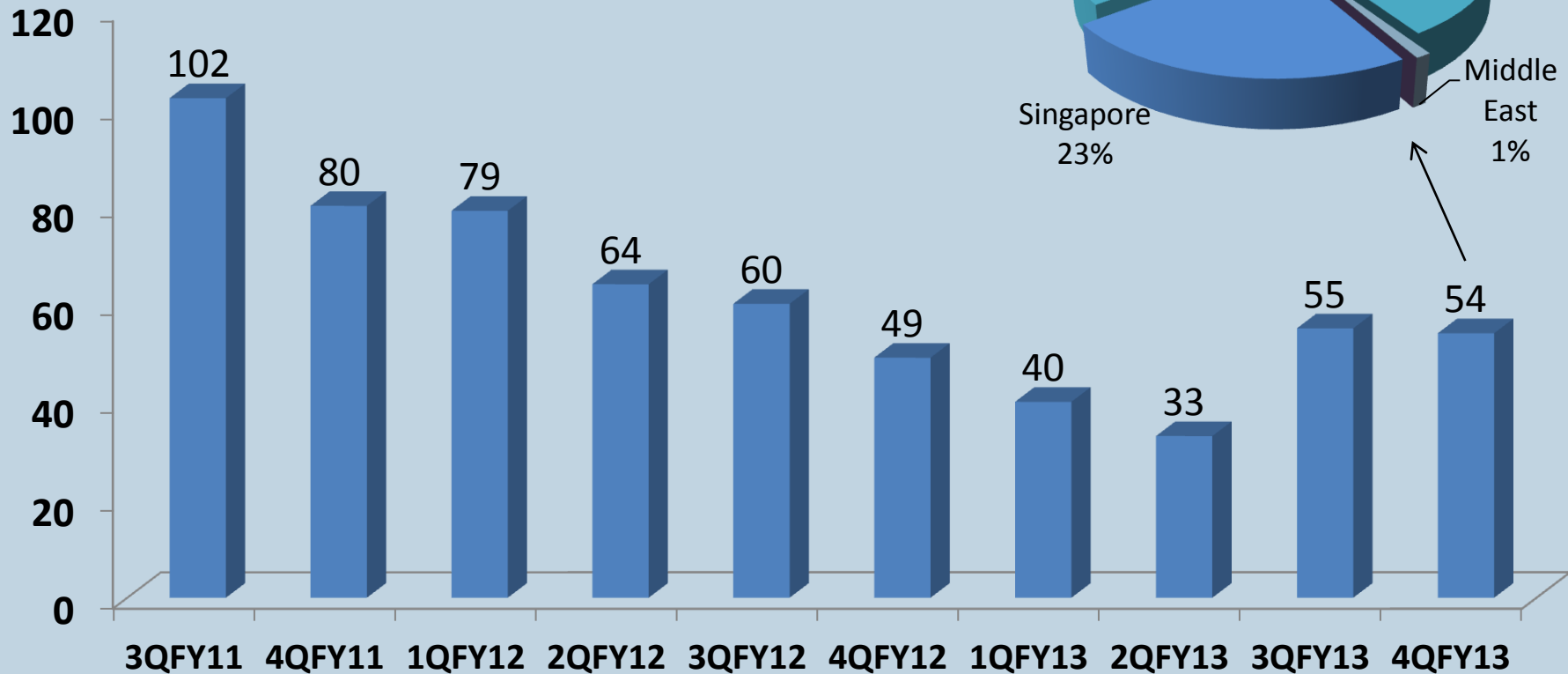
**FY2013**



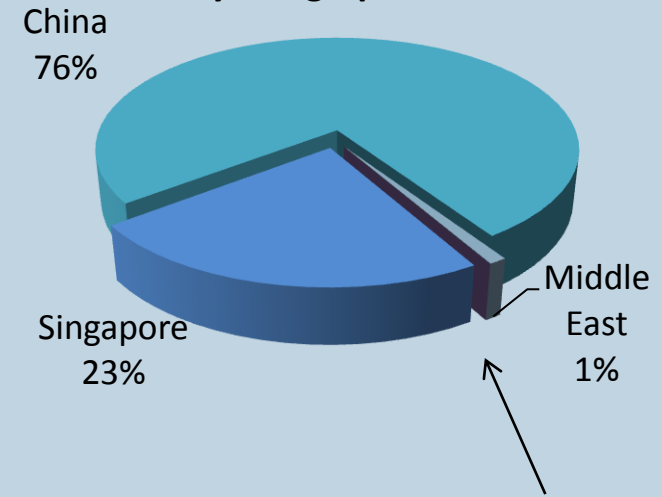
\*excluding China & Singapore

# Net Order Book Trend

US\$ million



**4QFY13 Breakdown  
by Geographical Area**



# Robust Balance Sheet

	As at 31 Dec 2013 (S\$ million)	As at 31 Dec 2012 (S\$ million)
<b>Current Assets</b>	<b>239.2</b>	<b>249.7</b>
<b>Current Liabilities</b>	<b>16.3</b>	<b>24.3</b>
<b>Total Assets</b>	<b>256.2</b>	<b>292.5</b>
<b>Total Liabilities</b>	<b>16.3</b>	<b>24.3</b>
<b>Shareholders Equity</b>	<b>239.8</b>	<b>268.1</b>
<b>Gearing</b>	<b>0%</b>	<b>1.3%</b>
<b>Available Cash</b>	<b>205.9</b>	<b>173.9</b>

**Cash Per Share : 23.6 cents**



# Outlook & Strategy

- **Prospects in the near term will remain challenging**
- **However, the Group is confident of the oil and gas industry's long term prospects**
- **Continuing to seek new opportunities to diversify and increase revenue streams**
- **Incorporated two subsidiaries, Baker Engineering and BT Investment, with new key personnel to manage them**



# 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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