



BAKER TECHNOLOGY LIMITED
(Company Registration No. 198100637D)

1. INCREASE OF EQUITY STAKE IN SUBSIDIARY

The Board of Directors of Baker Technology Limited ("BTL") wishes to announce that its wholly-owned subsidiary, York Transport Equipment (Asia) Pte Ltd ("YTEA"), has increased its issued and paid-up share capital from S\$6,049,999/- to S\$17,675,282/-, by way of the issue of 12,237,140 ordinary shares to BTL. The payment for the shares was satisfied by the capitalization of the inter-company loan of S\$11,625,283/- due from YTEA to BTL.

2. DISPOSAL OF SHARES IN SUBSIDIARIES

BTL also wishes to inform that it has transferred its entire equity stake in the following two wholly owned subsidiaries to YTEA :-

- i. Rednet Pte Ltd
- ii. York Transport Equipment Pty Limited.

The aforesaid transactions would not have any impact in the financial position of the Group.

By Order of the Board
BAKER TECHNOLOGY LIMITED

Aw Seok Chin
Company Secretary

20 July 2007
Singapore