



BAKER TECHNOLOGY LIMITED
Company Registration No.: 198100637D

Media Release

Baker Tech FY 2015 revenue declined 37% with net profit at S\$9.2 million

Y/E Dec (S\$ million)	4Q 2015	4Q 2014	Chg %	FY 2015	FY 2014	Chg %
Revenue	7.9	28.9	<i>(73)</i>	54.1	86.3	<i>(37)</i>
Cost of goods sold	(6.4)	(21.4)	<i>(70)</i>	(38.8)	(63.6)	<i>(39)</i>
Gross Profit	1.5	7.4	<i>(80)</i>	15.2	22.7	<i>(33)</i>
Administrative expenses	(2.2)	(3.1)	<i>(30)</i>	(10.5)	(11.0)	<i>(4)</i>
Other operating income/(expenses), net	0.7	3.0	<i>(77)</i>	6.4	4.6	39
(Loss) / profit before tax	(0.02)	7.3	NM	11.1	16.3	<i>(32)</i>
Net Profit	0.05	6.5	<i>(99)</i>	9.2	13.5	<i>(32)</i>
Basic EPS* (cents)	-	0.72		0.93	1.50	
Diluted EPS+ (cents)	-	0.68		0.93	1.41	

* based on the weighted average number of ordinary shares in issue of 1,014,390,262 and 982,901,455 for 4Q 2015 and FY 2015 respectively (4Q 2014 — 917,915,756, FY 2014 - 898,759,610)

+ based on the weighted average number of ordinary shares in issue during the financial year ended 31 December 2015 adjusted for dilutive effect of Nil warrants (31 December 2014 - 93,777,222 warrants).

25 February 2016 – Baker Technology Limited ('Baker Tech' or 'the Group') 巴克科技有限公司, a leading manufacturer and provider of specialised marine offshore equipment and services for the oil and gas industry, reported a 37% decrease in revenue to S\$54.1 million for the 12 months ended 31 December 2015, while net profit eased to S\$9.2 million from S\$13.5 million in 2014.

FY 2015 Performance

The Group's revenue was down 37% on year to S\$54.1 million, as plummeting oil prices rippled across the oil industry. Net profit eased to S\$9.2 million from S\$13.5 million in 2014, pressured by lower revenue recorded during the year. This includes a foreign exchange gain of S\$5.3 million (2014: S\$3.6 million) from the strengthening of the U.S. dollar against the Singapore dollar.

The Group continues to have a strong balance sheet. Shareholders' funds as at 31 December 2015 stood at S\$228.9 million, up from S\$216.9 million at the previous year end. This was due to an increase in share capital following the conversion of warrants by warrant holders (S\$13.2 million) and retained profits for the year which was offset by the payment of dividend of S\$10.1 million to shareholders.

The Group reported net operating cash outflows of S\$20.8 million for 4Q 2015 and S\$22.5 million for FY 2015, to fund working capital required for operations. Cash and short-term deposits were at S\$140.1 million, with no borrowings as at 31 December 2015.

The Board is recommending a first and final tax exempt (one-tier) dividend of 0.5 cent for the financial year ended 31 December 2015.

4Q 2015 Performance

The Group's revenue for 4Q 2015 fell to S\$7.9 million from S\$28.9 million for the corresponding period in 2014. Net profit receded to S\$54,000 in 4Q 2014 from S\$6.5 million for the corresponding period in 2014. Operating conditions remain challenging as the industry continues reshaping itself in a lower-demand environment.

Outlook

The downturn in the oil and gas sector is expected to be more prolonged compared to previous downturn, with further Exploration & Production cuts and continued supply demand imbalance. Recent developments with oil producing countries are not expected to have significant positive impact in the near term.

However, the Group's strong balance sheet and experienced management team will allow the Group to meet the challenges of 2016.

About Baker Technology Limited (Bloomberg: BTL SP, Reuters: BATE.SI)

Baker Technology Limited (Baker Tech) is a leading manufacturer and provider of specialised equipment and services for the oil and gas industry. Its core business is in the design and fabrication of a wide range of equipment and components for use in the offshore environment. These include offshore pedestal cranes, anchor winches, skidding systems, jacking systems and raw water tower structures. Its latest product offering features a state-of-the-art self-propelled multi-purpose jack-up liftboat. It also provides services such as project management, engineering services, quality assurance, and construction supervision. Baker Tech has market presence in China, the Middle East, Asia and USA.

Baker Tech was awarded (*for companies with less than S\$300 million in market capitalization*) its second Bronze award for Best Annual Report, in the prestigious Singapore Corporate Awards 2015.

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