



**BAKER TECHNOLOGY LIMITED**  
Company Registration No.: 198100637D

Media Release

***Baker Tech's 3Q 2014 net profit up 20% to S\$4.3 million***

Y/E Dec (S\$ million)	3Q 2014	3Q 2013	Chg %	9M 2014	9M 2013	Chg %
<b>Revenue</b>	<b>21.1</b>	20.7	2	<b>57.4</b>	67.9	(15)
Cost of goods sold	<b>(14.9)</b>	(14.0)	6	<b>(42.1)</b>	(50.6)	(17)
<b>Gross Profit</b>	<b>6.2</b>	6.7	(7)	<b>15.3</b>	17.4	(12)
Admin Expenses	<b>(2.8)</b>	(1.8)	52	<b>(7.9)</b>	(5.6)	40
Other Operating Income/Expenses, net	<b>1.9</b>	(0.3)	NM	<b>1.7</b>	0.8	90
Gain/Loss on disposal of Associate	-	(0.1)	(100)	-	8.8	(100)
Share of Results of Associate	-	-	-	-	(0.5)	100
<b>Profit before tax</b>	<b>5.3</b>	4.5	18	<b>9.1</b>	20.9	(57)
<b>Net Profit (excluding gains on disposal)</b>	<b>4.3</b>	3.7	16	<b>7.0</b>	9.4	(25)
<b>Net Profit</b>	<b>4.3</b>	3.6	20	<b>7.0</b>	18.2	(61)
<b>Basic EPS* (cents)</b>	<b>0.48</b>	0.38		<b>0.79</b>	2.22	
<b>Diluted EPS<sup>+</sup> (cents)</b>	<b>0.45</b>	0.33		<b>0.74</b>	1.89	

\* based on the weighted average number of ordinary shares in issue of 892,338,882 for 3Q 2014 (3Q 2013 — 818,941,580)

+ based on the weighted average number of ordinary shares in issue during the financial period ended 30 September 2014 adjusted for dilutive effect of 109,623,222 warrants (30 September 2013 — 144,708,822 warrants).

**29 October 2014 – 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 net profit of S\$4.3 million on revenue of S\$21.1 million for the three months ended 30 September 2014 (3Q 2014).

For the nine months ended 30 September 2014, the Group's net profit decreased to S\$7.0 million from S\$18.2 million. The difference was largely due to the gains on disposal of Discovery Offshore S.A. ("DO") of S\$8.8 million in 2013 and higher administrative expenses of S\$2.2 million in 2014 from new subsidiaries and premise.

**3Q 2014 Performance**

Revenue for the Group in the three months ended 30 September 2014 was S\$21.1 million compared to S\$20.7 million a year ago. Net profit increased by 20% to S\$4.3 million in 3Q 2014, from S\$3.6 million a year ago, primarily due to a foreign exchange gain of S\$1.5 million from the strengthening U.S. dollar against the Singapore dollar (3Q 2013: exchange loss of S\$0.2 million), pared by higher administration expenses of S\$0.9 million.

## **9M 2014 Performance**

The Group's revenue was S\$57.4 million in 9M 2014 compared to S\$67.9 million in 9M 2013, due to lower progressive revenue recognition of existing projects. The Group's net order book stood at US\$50 million as of September 2014. These orders are expected to be completed within the next 12 to 18 months.

The Group's financial position remains healthy with S\$148.7 million in cash and short-term deposits, and zero gearing. Shareholders' funds reduced to S\$208 million as at 30 September 2014 on payment of dividends of S\$45.2 million to shareholders. This was ameliorated by proceeds from the conversion of warrants (S\$6.4 million) and retained profits for the period.

## **Outlook**

With the recent drop in oil prices and the softening of charter rates, the Group remains cautiously optimistic of the long term fundamentals of the oil and gas industry. Progress continues to be on course for the construction of Baker Engineering's state-of-the-art liftboat (a self-propelled multi-purpose jack-up). The Group continues to explore external opportunities (including strategic alliances) to provide additional avenues of growth.

***"We are encouraged by the progress in Baker Engineering's construction plans. Enquiries remain active and we hope to see these translate into contracts in the coming months. We are determined to explore opportunities to build a portfolio of quality and value-accretive businesses that tap on the potential growth and leverages on the Group's extensive experience within this sector."***

- Chairman, Mr. Lim Ho Seng (林穆升)

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## **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 \$300 million in market capitalisation*) its second Gold award for Best Managed Board and its third Silver award for Best Annual Report, in the prestigious Singapore Corporate Awards 2014.

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