



BAKER TECHNOLOGY LIMITED
(Unique Entity Number 198100637D)
(Incorporated in the Republic of Singapore)

**FURTHER LETTER FROM SEMBCORP MARINE LTD ("SCM")
IN RELATION TO THE PROPOSED DISPOSAL**

The Board of Directors of Baker Technology Limited (the "**Company**") refers to the announcements dated 17 April 2010, 23 April 2010 and 29 April 2010 (the "**Earlier Announcements**") in relation to the Proposed Disposal.

Capitalised terms used in this announcement shall have the same meanings as defined in the Earlier Announcements unless the context requires otherwise.

The Company wishes to announce that PPLH, its wholly owned subsidiary, has received a letter from SCM purporting to terminate the Joint Venture Agreement dated 9 April 2001 entered into between PPLH and SCM (the "**Joint Venture Agreement**"), alleging, *inter alia*, repudiation of the Joint Venture Agreement by PPLH on the grounds of breach of contract of the Joint Venture Agreement as well as the Company's acceptance of the Purchaser's offer to purchase from the Company the entire issued shares in the capital of PPLH. The Board has sought legal advice on the matter and is of the view that SCM's attempt at terminating the Joint Venture Agreement is baseless. PPLH nominated directors will continue to manage and operate the day to day business of PPL Shipyard in accordance with the Joint Venture Agreement.

The Company will keep Shareholders apprised of any material developments, where appropriate.

By Order of the Board
Baker Technology Limited

Aw Seok Chin
Company Secretary

13 May 2010