

SAMKO TIMBER LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200517815M)
(the "**Company**")

MUTUAL TERMINATION OF EXCLUSIVE DISTRIBUTORSHIP AGREEMENT

Unless otherwise defined herein, capitalised terms used in this announcement shall have the meanings ascribed to them in the announcement issued by the Company on 2 October 2024 and the circular to shareholders dated 10 January 2025.

The Board of Directors ("**Board**") of Samko Timber Limited (the "**Company**"), and together with its subsidiaries, the "**Group**") refers to the announcement made on 27 March 2025 in relation to, *inter alia*:

- (a) the disposal of PT Sumber Graha Sejahtera and Samko Trading Pte. Ltd. and their respective subsidiaries (the "**Disposal Group**"); and
- (b) the entry into the Exclusive Distributorship Agreement between the Company and its subsidiaries, namely Bioforest Pte. Ltd. and PT Bioforest Indonesia (the "**Post-Disposal Group**") and the Disposal Group, pursuant to which the Post-Disposal Group will be appointed by the Disposal Group as the exclusive distributor of the processed plywood, floorbase, film face, laminated veneer lumber and housing products produced by the Disposal Group to purchasers (the "**Distribution**") in Singapore, Thailand, Malaysia, Philippines, United States of America and Canada (the "**Territories**").

On 23 July 2025, the Company announced that Sampoerna Forestry Limited ("**Sampoerna**") had entered into a sale and purchase agreement with Kingyue International Holding Pte. Ltd. ("**Kingyue**") in relation to the sale and purchase of an aggregate of 5,785,730,849 shares held by Sampoerna, representing approximately 66.91% of the total number of ordinary shares in the capital of the Company (the "**Shares**"). Accordingly, as a result of the disposal of the Shares held by Sampoerna to Kingyue, Kingyue announced its firm intention to make a mandatory unconditional cash offer (the "**Offer**") in accordance with Rule 14.1 of the Singapore Code on Take-overs and Mergers for all the remaining Shares in the capital of the Company.

Pursuant to the completion of the Offer on 9 September 2025, the Board wishes to announce that the Post-Disposal Group and the Disposal Group had on 10 September 2025, mutually terminated the Exclusive Distributorship Agreement, in respect of the Distribution to the United States of America and Canada with effect from 9 September 2025, and in respect of the Distribution to Singapore, Thailand, Malaysia and the Philippines, on 31 December 2025 (the "**Mutual Termination**") and on a non-exclusive basis.

The Company is of the view that the Mutual Termination is in the best interests of the Group to restructure its operations. The Group will continue to actively look into expansion of our local and foreign operations and into other markets and acquisitions of new businesses.

The Mutual Termination is expected to have a material impact on the net tangible assets and earnings per share of the Company for the financial year ended 31 December 2025 due to the reduction in revenue as a result of the termination of the Exclusive Distributorship Agreement.

None of the Directors and, to the best knowledge of the Directors, none of the substantial shareholders or controlling shareholders of the Company, has any direct or indirect interest in the Mutual Termination, other than through their shareholdings in the Company.

By Order of the Board

MERIANA ANG MEI LING

Lead Independent Director

10 September 2025