



SAMKO TIMBER LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200517815M)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE – CLARIFICATION ON CLOSING MARKET PRICE OF SHARES

Unless otherwise defined herein, capitalised terms shall have the same meanings as ascribed to them in the announcement dated 9 September 2016 in relation to the Rights Issue.

On 9 September 2016, the Company made an announcement of a proposed renounceable non-underwritten rights issue of up to 1,001,032,474 new ordinary shares in the share capital of the Company at an issue price of S\$0.035 for each Rights Share, on the basis of five (5) Rights Shares for every seven (7) existing ordinary shares in the share capital of the Company held by Entitled Shareholders as at a books closure date to be determined by the Board.

The Board wishes to clarify that the closing market price of the Shares on the SGX-ST on 9 September 2016 was S\$0.085 (the “**Closing Market Price**”), and not S\$0.09 as indicated in the announcement dated 9 September 2016.

As such, the Issue Price of S\$0.035 represents:

- (a) a discount of approximately 59% to the Closing Market Price; and
- (b) a discount of approximately 45% to the theoretical ex-rights price of S\$0.064 per Share (based on the Closing Market Price).

There are no changes to the terms of the Rights Issue.

By Order of the Board

Riko Setyabudhy Handoko
Executive Director and Chief Executive Officer
15 September 2016