



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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

Unless otherwise defined herein, capitalised terms shall have the same meanings as ascribed to them in the announcements dated 9 September 2016 and 15 September 2016 in relation to the Rights Issue (the “Rights Issue Announcements”).

Further to the Rights Issue Announcements, the Board is pleased to announce that the Company has, on 21 October 2016, received the in-principle approval (“AIP”) of the SGX-ST for the dealing in, listing of and quotation for up to 1,001,032,474 Rights Shares on the Mainboard of the SGX-ST.

The AIP is subject to the following conditions:

- (a) Compliance with the SGX-ST’s listing requirements;
- (b) Shareholders’ approval for the Rights Issue and the Whitewash Resolution;
- (c) A written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
- (d) A written undertaking from the Company that it will comply with the confirmation given under Listing Rule 887(10) with regards to the allotment of any excess Rights Shares; and
- (e) A written confirmation from financial institution(s) as required under Listing Rule 877(9) that the undertaking shareholder who has given the irrevocable undertaking have sufficient financial resources to fulfill their obligations under its undertakings.

The AIP is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

The circular in relation to, *inter alia*, the Rights Issue, will be despatched to Shareholders in due course.

By Order of the Board

Riko Setyabudhy Handoko
Executive Director and Chief Executive Officer
23 October 2016