



SAMKO TIMBER LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200517815M)

**PROVISION OF CORPORATE GUARANTEE IN RELATION TO CREDIT FACILITIES GRANTED
BY PT BANK CAPITAL INDONESIA TBK TO PT SUMBER GRAHA SEJAHTERA**

1. Introduction

- 1.1 The board of directors (the “**Board**” or the “**Directors**”) of Samko Timber Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that PT Sumber Graha Sejahtera (“**PT SGS**”), a 99.99% owned subsidiary of the Company, has entered into a Deed of Perjanjian Pemberian Fasilitas Perbankan / Credit Agreement with PT Bank Capital Indonesia Tbk (“**BANK CAPITAL**”) (the “**Credit Agreement**”) pursuant to which PT SGS (as borrower) has procured and accepted the facilities of up to IDR 200,000,000,000 (approximately equivalent to SGD 19,018,638 based on an approximate exchange rate of SGD 1.00 : IDR 10,516 as at 26 April 2022) (the “**Facilities**”) granted by BANK CAPITAL (as lender), in accordance with the terms and conditions as stipulated in the Credit Agreement.
- 1.2 In connection with the Facilities, the Company stands as a corporate guarantor (the “**Guarantor**”) and has entered into a Singapore law governed guarantee and indemnity with BANK CAPITAL in respect of all obligations under the Facilities in favour of BANK CAPITAL (the “**Corporate Guarantee**”).

2. Information on Facilities

2.1 Salient Terms of the Facilities

The principal terms of the Credit Agreement are summarised as follows:

Type of Facilities	Uncommitted Revolving Money Market Loan
Facilities Amount	IDR 200,000,000,000 (approximately equivalent to SGD 19,018,638 based on an approximate exchange rate of SGD 1.00 : IDR 10,516 as at 26 April 2022)
Purpose	For working capital of PT SGS which engages in the business of wood industry, in particular, plywood, LVL (Laminated Veneer Lumber), Deck and Door
Term of Facilities	One year (12 months from the date of the Credit Agreement)
Interest Rate	10% per annum (payable monthly), which may be reviewed from time to time during the term of the Facilities
Collateral / Security	Corporate guarantee provided by the Company

2.2 Rationale for and Benefit of the Corporate Guarantee

The acceptance of the Facilities by PT SGS is for the purpose of financing the working capital of PT SGS which engages in the business of wood industry, in particular, plywood, LVL (Laminated Veneer Lumber), Deck and Door.

The Board has considered and reviewed the terms of, the rationale for and benefit of the Corporate Guarantee and is of the view that the Corporate Guarantee is required to facilitate the entry into the Credit Agreement.

2.3 Change of Control Provisions

For the purpose of disclosure under Rule 704(31) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that the Facilities contains the change of control provision whereby during the term of the Facilities, the Company (as the Guarantor) must maintain its share capital ownership in PT SGS, and therefore it is prohibited to sell, transfer, assign, and/or dispose its shares in PT SGS without prior written approval from BANK CAPITAL.

Assuming the occurrence of a breach of the above change of control provisions which may cause BANK CAPITAL to require PT SGS to prepay the outstanding sums under the Facilities, the aggregate amount of the Facilities that may be affected by such a breach is up to IDR 200,000,000,000 (approximately equivalent to SGD 19,018,638 based on an approximate exchange rate of SGD 1.00 : IDR 10,516 as at 26 April 2022) (being the principal amount under the Facilities) or the cumulative principal sum disbursed at that juncture and any interest capitalized and accrued till the date of occurrence of such an event.

2.4 Financial Effects

The Facilities are not expected to have any material effects on the Group's consolidated earnings and net tangible assets per share for the financial year ending 31 December 2022.

3. Interests of Directors and Controlling Shareholders

None of the Directors and/or the controlling shareholders of the Company and their respective associates is deemed to have any interest, direct or indirect, in the Facilities, save for their interests by virtue of their shareholdings (if any) in the Company and the Group.

4. Directors' Responsibility Statement

In respect of the Facilities, the Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Facilities, the Company and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

5. Cautions Statement

The Board wishes to advise shareholders and potential investors to exercise caution when dealing in the shares of the Company and to refrain from taking any action in relation to such shares which may be prejudicial to their interests. Shareholders and potential investors should consult their legal, financial, tax or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Riko Setyabudhy Handoko
Executive Director and Chief Executive Officer

26 April 2022