

SAMKO TIMBER LTD

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

SETTING UP A JOINT VENTURE COMPANY IN UNITED STATES OF AMERICA

The Board of Directors (the “**Board**”) of Samko Timber Ltd (the “**Company**”) wishes to announce that the Company has entered into an agreement with an unrelated party to set up a joint venture (“**JV**”) company in the United States of America (“**USA**”). The JV company will promote and market the Company’s products in the North America. The Company will have 51% direct equity interest in the JV company and the investment will be funded internally.

The JV company will be incorporated in Delaware, USA, as a limited liability company and be named Samko USA LLC. The JV company will have an initial share capital of US\$100,000 and the JV partners shall contribute proportionately to its capital in cash. The set-up is subject to the approvals of the authorities in the USA.

None of the directors or substantial shareholders of the Company will have any interest in the JV. The JV is not expected to have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 31 December 2011.

By Order of the Board

Aris Sunarko @ KoTji Kim
Chief Executive Officer
05 December 2011