

SAMKO TIMBER LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 200517815M)

AMENDMENT AND RESTATEMENT OF FINANCING FACILITIES AGREEMENT WITH PT BANK OCBC NISP TBK AND OVERSEA-CHINESE BANKING CORPORATION LIMITED

The board of directors (the “**Board**”) of Samko Timber Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcement dated 5 June 2014 in relation to, *inter alia*, the facilities agreement (the “**Facilities Agreement**”) entered into amongst the Company’s subsidiary, PT Sumber Graha Sejahtera (“**PT SGS**”) as the borrower, PT OCBC NISP Tbk (“**OCBC NISP**”) as the arranger, original lender, agent, and security agent, and Oversea-Chinese Banking Corporation Limited (“**OCBC Bank**”, and together with OCBC NISP, the “**Lenders**” and each a “**Lender**”) as the arranger, original lender, and original hedge counterparty in relation to the granting of certain financing facilities as mentioned in the said announcement.

The Board wishes to announce that PT SGS and OCBC NISP (as agent, security agent, and global security agent) have entered into an amendment and restatement deed dated 4 July 2018 to amend certain terms of the Facilities Agreement. The key amendments are summarised as follows:

Additional facilities extended to PT SGS	<ol style="list-style-type: none">1. US Dollar revolving loan facility in an aggregate amount equal to USD 25 million (the “US\$ D Facility”); and2. Rupiah revolving loan facility in an aggregate amount equal to IDR 140 billion (the “IDR D Facility”, and together with the US\$ D Facility, the “Additional Facilities”).
Tenor	In relation to a loan made or to be made under the IDR D Facility or the principal amount outstanding at any time of that loan (“ IDR D Loan ”), a period of ninety (90) days from the date of utilisation of that IDR D Loan, subject to certain terms and conditions.
Purpose	PT SGS shall apply all amounts borrowed by it under: <ol style="list-style-type: none">1. the US\$ D Facility exclusively for its working capital requirements; and2. the IDR D Facility exclusively for the procurement of non-material and/or indirect raw materials and provided that, in the case of the IDR D Facility, the relevant proceeds of such IDR D Facility loans shall be remitted into an IDR-denominated collection account.

The Additional Facilities are secured by, amongst others, properties, machinery and equipment, inventory of PT SGS and corporate guarantees from the Company and its subsidiaries.

Pursuant to the disclosure requirements under Rule 704(31) of the listing manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce that the terms of the Facilities Agreement include a clause for mandatory prepayment of all the facilities, upon demand from the Lenders, if a Change of Control occurs. For the purposes of the foregoing, “**Change of Control**” means:

- (a) Sampoerna Forestry Limited (“**SFL**”) ceasing at any time to directly or indirectly:
 - (i) hold legal ownership and control of at least forty point eighty six per cent (40.86%) of the issued shares of PT SGS; and

- (ii) have its appointed representatives as the president commissioner and chief financial officer (or finance director) of PT SGS; or
- (b) Mr Putera Sampoerna and his siblings and children no longer collectively holding, directly or indirectly, legal ownership and control of one hundred per cent (100%) of the issued shares of SFL.

The above transaction is not expected to have any material impact on the net tangible assets and earnings per share of the Company and the Group for the financial year ending 31 December 2018.

Save as disclosed herein, none of the directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings and/or directorships in the Company, as the case may be), in the above transaction.

BY ORDER OF THE BOARD

Riko Setyabudhy Handoko
Executive Director and Chief Executive Officer
14 August 2018