

SAMKO TIMBER LIMITED

(Company Registration No.: 200517815M)

(Incorporated in Singapore)

UPGRADE OF REPRESENTATIVE OFFICE IN MALAYSIA TO A PRIVATE LIMITED COMPANY

The Board of Directors of Samko Timber Limited (the "Company") wishes to announce that the Company has upgraded its representative office in Malaysia with the incorporation of a private limited company, Samkowood Products Sdn Bhd ("Samkowood").

Samkowood is a wholly-owned subsidiary of Samko Trading Pte Ltd ("Samko Trading"), a wholly-owned subsidiary of the Company. The details of Samkowood are follows:-

- (a) Total issued and paid-up capital : RM100,000.00, comprising of 100,000 ordinary shares of RM1.00 each.
- (b) Principal activities : To trade, market, sell, import, export and carry on the business of plywood, timber flooring, wooden products and trade in all kinds of timber, wood articles and building materials.
- (c) Directors of Samkowood : Messrs Lim Ying Phong and Tee Thiam Sheng

The above transaction is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group for the current financial year ended 31 December 2010.

None of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in the above transaction.

BY ORDER OF THE BOARD

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer