

SAMKO TIMBER LTD

("the Company")

Company Registration No. 200517815M

(Incorporated in the Republic of Singapore)

UPDATE ANNOUNCEMENT ON SUBSIDIARY ANNOUNCEMENT AND EXTENSION OF TIME TO ANNOUNCE THE COMPANY'S FINANCIAL RESULTS FOR THE FULL FINANCIAL YEAR ENDED 31 DECEMBER 2009 ("FY2009")

The Board of Directors of the Company (the "**Board**") refers to the Company's previous announcement dated 5 February 2010 in relation to the proposed rights issue (the "**Rights Issue**") by PT Sumalindo Lestari Jaya Tbk ("**Sumalindo**"). Capitalised terms used in this announcement shall, unless otherwise defined in this announcement, have the same meanings as defined in the aforementioned announcement.

In order for the Company to be able to prepare and finalise the full year financial statements for FY2009, the Company requires, *inter alia*, the financial figures of its subsidiary, Sumalindo. In connection with the proposed Rights Issue:-

- (i) Sumalindo will be relying on its own financial figures as at 30 September 2009; and
- (ii) in adherence to the BAPEPAM-LK (the Indonesia Capital Market Supervisory Agency) regulations on the uniformity of information, Sumalindo will not provide or release its financial figures for the period beyond 30 September 2009 to the public until the completion of the subscription for the Rights Issue.

Accordingly, Sumalindo is unable to provide the Company with its fourth quarter ("**4Q2009**") financial figures earlier than other shareholders of Sumalindo, until the subscription period of Sumalindo's Rights Issue is completed or the Rights Issue is not proceeded with. In turn, the Company is not able to prepare and announce the full year financial statements for FY2009 to provide a true and fair view of its financial position, until Sumalindo has provided the Company with its 4Q2009 financial figures as aforesaid.

Based on information set out in Sumalindo's public announcement, the subscription period for the Rights Issue is from 24 March 2010 to 30 March 2010 (both dates inclusive), the last payment date for excess applications is 1 April 2010 and the allotment date for excess applications is 7 April 2010. As such, the Rights Issue is expected to be completed by 7 April 2010.

Sumalindo is expected to announce its financial results for 4Q2009 shortly following the close of the subscription period for the Rights Issue (i.e. shortly after 30 March 2010), and this will allow the Company to prepare the full year financial statements for FY2009, for release shortly thereafter.

In this connection, the Board wishes to announce that the SGX-ST has, on 19 February 2010, granted the Company a time extension of six weeks to 15 April 2010 to announce its full year financial statements for FY2009 to comply with Rule 705(1) of Chapter 7 of the SGX-ST Listing Manual, subject to the following:-

- (a) the Company making an announcement immediately, as required under Rule 107 of the SGX-ST Listing Manual, of the waiver granted, disclosing the details of the waiver granted, the reason(s) for the extension of time to announce its full year financial statements for FY2009 and the conditions attached to the aforesaid waiver ("**Condition A**");
- (b) the disclosure of the expected completion date of the proposed Rights Issue ("**Condition B**"); and

- (c) the disclosure of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced ("**Condition C**").

With regard to Conditions A and B, the information required is set out in this announcement.

With regard to Condition C, the Company confirms that it is not aware of any information which will have a material bearing on investors' decision which has yet to be announced, other than information which will be disclosed in the Company's announcement of its full year financial statements for FY2009. A copy of the written confirmation has been provided to the SGX-ST.

We will continue to update Shareholders in connection with this matter.

By Order of the Board

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer
February 22, 2010

Credit Suisse (Singapore) Limited is the Sole Global Coordinator, Bookrunner, Issue Manager and Underwriter for the initial public offering of shares in Samko Timber Limited.