

**SAMKO TIMBER LTD**

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

The Board of Directors of Samko Timber Limited (the "Company") wishes to announce that PT Sumalindo Lestari Jaya Tbk ("Sumalindo") – an associated company of the Company, Mr. Amir Sunarko, a Non-Executive Director of the Company, and PT Sumber Graha Sejahtera ("SGS"), a subsidiary of the Company, have received a summons from the South Jakarta Court with regard to a tort claim filed by a shareholder of Sumalindo.

Sumalindo, Mr Amir Sunarko and SGS have been named as first, second and the 10<sup>th</sup> defendants respectively, and Mr. Amir Sunarko and SGS are named as defendants in their capacities as President Director and the controlling shareholder of Sumalindo in 2009 respectively.

The claims by the claimant relate to matters concerning:-

- (i) the issuance of a zero Coupon Bond by PT Sumalindo Hutani Jaya ("SHJ") to Sumalindo which had owned 60% of the shares in SHJ's share capital in 2009;
- (ii) the disposal of Sumalindo's shareholding in SHJ in 2009 to PT Pabrik Kertas Tjiwi Kimia Tbk;
- (iii) the transfer of the zero Coupon Bond to Marshall Enterprise Ltd in 2009; and
- (iv) the injection of the 36,376 hectare forest concession of Sumalindo (as in-kind contribution) to PT Sumalindo Alam Lestari, a company in which Sumalindo has a 99.98% equity stake, in 2010.

SGS management has appointed legal counsel to assist SGS in handling this case. The legal counsel of SGS management is currently evaluating and assessing all aspects and the basis of the claims. Based on legal counsel's initial review, SGS management is of the view that the claim against SGS is without merit and no provision of any material costs (if any) is necessary. SGS will disclaim any liability and is defending the action. The action will not have any impact to the Company's investment in Sumalindo as the carrying cost of the investment has been fully impaired since March 2010 and the Company has no further obligation to the associated company.

The Company will keep the shareholders informed and updated on material developments in respect of the above matter.

By Order of the Board

Aris Sunarko @ Ko Tji Kim  
Chief Executive Officer  
5 February 2013