

SAMKO TIMBER LIMITED

(Company Registration No.: 200517815M)

(Incorporated in Singapore)

INCREASE IN INVESTMENT IN SAMKO TRADING PTE. LTD.

The Board of Directors of Samko Timber Limited (the "Company") wishes to announce that the Company has increased its investment in Samko Trading Pte. Ltd. ("Samko Trading"), a wholly-owned subsidiary, by way of a debt to equity conversion ("Debt Conversion").

The Company has subscribed for an additional 3,800,000 new ordinary shares of S\$1.00 each, as issued and fully paid-up in the share capital of Samko Trading, in consideration of the total debt of S\$3,800,000 owing by Samko Trading to the Company.

Following the Debt Conversion, Samko Trading's share capital has increased from S\$60,000 to S\$3,860,000. The Debt Conversion is not expected to have any material impact on the consolidated net tangible assets and earnings per share of the Group and the Company for the current financial year ending 31 December 2013.

Mr Aris Sunarko @ Ko Tji Kim, the Executive Director and Chief Executive Officer of the Company, is also the Director of Samko Trading.

Save as disclosed above, none of the Directors or the substantial 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
13 August 2013