

SAMKO TIMBER LIMITED

(Company Registration No.: 200517815M)
(Incorporated in Singapore)

RESPONSE TO SGX-ST QUERY ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013

The Board of Directors of Samko Timber Limited (the "Company") wishes to announce the following in response to the query raised by the Singapore Exchange Securities Trading Limited ("SGX-ST") in respect of the Company's Annual Report for the financial year ended 31 December 2013 ("Annual Report 2013"):

SGX-ST Query:

Please explain the reason(s) for the material differences in the amounts for Net Cash flows from operating activities and Net cash flows used in investing activities disclosed on pages 68 and 69 of the annual report as compared with the cashflow statement disclosed in the Company's results announcement dated 21 February 2014.

The Company's Response:

The difference in the amounts of net cash flow from operating activities and net cash flow used in investing activities disclosed in the Company's Annual Report 2013 and results announcements dated 21 February 2014 ("FY2013 Results Announcement") was due to a re-classification of the "Advance to suppliers" amounting to Rp4,224 million.

In FY2013 Results Announcement, this amount was presented under "Advance to suppliers" in operating activities. In view of the nature of the advances was directly associated with the purchases of property, plant and equipments, the said amount was subsequently re-classified to investing activities as part of "Purchase of property, plant and equipment" in the Annual Report 2013.

BY ORDER OF THE BOARD

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer

24 April 2014