

SAMKO TIMBER LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 200517815M

JOINT VENTURE BETWEEN SAMKO TRADING PTE. LTD. AND NS TRADING CO LTD

The Board of Directors of Samko Timber Limited (the “**Company**”) wishes to announce that Samko Trading Pte Ltd, Singapore (“**Samko**”), a wholly owned subsidiary of the Company, has entered into a joint venture agreement (the “**JV Agreement**”) with NS Trading Co Ltd, Japan (“**Nakamura**”), one of the affiliates companies of Nakamura Shinko, Japan, which is the Group’s long term customer of wooden truck body products, to jointly establish a joint venture company in the Republic of Indonesia under the name of PT Nusantara Mitra Sejahtera (“**JV Company**”).

Pursuant to the terms of the JV Agreement, Samko and Nakamura will respectively hold 60% and 40% equity interest in the JV Company. The initial issued and paid-up share capital of the JV Company will be USD400,000 comprising 400 registered shares, each with nominal value of USD1,000.

The objective of the JV Company is to promote, develop and assemble wooden truck body leveraging the Japanese truck body concept (big panel, ready to use, sell together with the truck) to Indonesian market. The production facility will be co-existed with our existing factory located in Jambi, Sumatera, Indonesia.

The investment in the JV Company was funded through internal resources and is not expected to have any material impact on the Company’s net tangible assets and earnings per share of the Company for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the aforesaid joint venture.

By Order of the Board

Aris Sunarko @ Ko Tji Kim
Chief Executive Officer

10 March 2015