



SAMKO TIMBER LIMITED

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

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE

USE OF PROCEEDS

Unless otherwise defined, all terms used herein shall bear the same meaning as in the Offer Information Statement and the announcements dated 9 September 2016, 15 September 2016, 23 October 2016, 11 November 2016, 21 November 2016, 24 November 2016, 12 December 2016 and 16 December 2016 (the “Announcements”).

The Company refers to the Rights Issue of 1,001,032,474 Rights Shares at the Issue Price of S\$0.035 completed on 19 December 2016.

The Company wishes to announce that out of the net proceeds (after deducting all costs and expenses incurred in connection with the Rights Issue) of approximately S\$33.7 million (IDR 312,411 million) raised from the Rights Issue, (i) approximately S\$7.0 million (IDR 64,990 million) has been utilised to repay in full the Shareholder’s Loan, (ii) approximately S\$15.58 million (IDR 144,377 million) has been utilised for workforce rationalisation and associated costs, and (iii) approximately S\$ 11.12 million (IDR 103,044 million) has been utilised for general corporate and working capital purposes, including to purchase raw materials and other supporting materials, payment of long outstanding payable to suppliers and other operating expenses.

The Company will provide a status report on the use of the proceeds from the Rights Issue in the Company’s annual report.

By Order of the Board

Riko Setyabudhy Handoko
Executive Director and Chief Executive Officer
17 March 2017