



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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM” or the “Meeting”) of Samko Timber Limited (the “Company”) will be held by way of electronic means on Friday, 30 April 2021, at 3:00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2020 together with the Independent Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect Mr Sim Idrus Munandar, a Director of the Company retiring pursuant to Article 94 of the Constitution of the Company and Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”). **(Resolution 2)**

Mr Sim Idrus Munandar will, upon re-election as a Director of the Company, remain the Chairman of the Nomination Committee and Board Risk Committee, a member of the Audit Committee and Remuneration Committee of the Company respectively, and will be considered independent pursuant to Rule 704(8) of the Listing Manual of the SGX-ST, subject to Two-Tier Voting [as defined in Explanatory Note (iii)].

Detailed information on Mr Sim Idrus Munandar as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found on page 44 to page 53 of the Annual Report.

3. To re-elect the following Directors of the Company retiring pursuant to Article 100 of the Constitution of the Company:

Mr Ito Sumardi **(Resolution 3)**
Mr Hadi Daryanto **(Resolution 4)**

4. To note the retirement of Mr Wee Ewe Lay Laurence, who is retiring pursuant to Article 94 of the Constitution of the Company and has decided not to offer himself for re-election at the AGM.

Mr Wee Ewe Lay Laurence will, upon his retirement as a Director of the Company at the conclusion of this AGM, cease as the Chairman of the Remuneration Committee and a member of the Audit Committee, Nomination Committee and Board Risk Committee of the Company respectively.

5. To approve the payment of Directors’ fees of S\$268,446 for the financial year ending 31 December 2021, payable quarterly in arrears. (2020: S\$227,346) **(Resolution 5)**
6. To re-appoint Messrs Moore Stephens LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**
7. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. Authority to allot and issue new shares

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and otherwise the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (i)]

(Resolution 7)

9. **Authority to issue shares under the Samko Timber Performance Share Plan**

That approval be and is hereby given to the Directors of the Company, pursuant to Section 161 of the Companies act, Chapter 50 of Singapore of Shares:

- (a) to offer and grant awards from time to time in accordance with the rules of the Samko Timber Performance Share Plan (the “**Plan**”);
- (b) to allot and issue from time to time such number of fully paid-up shares in the capital of the Company as may be required to be issued pursuant to the vesting of the awards under the Plan provided that the aggregate number of shares to be issued pursuant to the Plan and any other share incentive schemes of the Company, shall not exceed three per centum (3.0%) of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) from time to time; and
- (c) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)]

(Resolution 8)

10. **Approval for the continued appointment of Mr Sim Idrus Munandar, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)**

That, subject to and contingent upon the passing of Resolution 2 by shareholders of the Company by appointing the Chairman of the meeting as proxy to vote at the annual general meeting (“**AGM**”) and the passing of Resolution 10 by shareholders of the Company by appointing the Chairman of the Meeting as proxy to vote at the AGM, excluding the Directors and the Chief Executive Officer of the Company, and their respective associates (as defined in the Listing Manual of the SGX-ST):

- (a) the continued appointment of Mr Sim Idrus Munandar, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and
- (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Sim Idrus Munandar as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution.

[See Explanatory Note (iii)]

(Resolution 9)

11. **Approval for the continued appointment of Mr Sim Idrus Munandar, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST**

That, subject to and contingent upon the passing of Resolution 2:

- (a) the continued appointment of Mr Sim Idrus Munandar, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and
- (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Sim Idrus Munandar as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution,

provided that this Resolution shall only be proposed and voted upon if Resolution 9 is passed by all shareholders of the Company by appointing the Chairman of the Meeting as proxy to vote at the AGM.

[See explanatory note (iii)]

(Resolution 10)

In compliance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022), the Directors and the Chief Executive Officer of the Company, and their respective associates (as defined in the Listing Manual of the SGX-ST), shall abstain from voting on Resolution 10.

12. **Approval for the continued appointment of Mr Ng Cher Yan as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”)**

That, subject to and contingent upon the passing of Resolution 12 by shareholders of the Company by appointing the Chairman of the Meeting as proxy to vote at the AGM, excluding the Directors and the Chief Executive Officer of the Company, and their respective associates (as defined in the Listing Manual of the SGX-ST):

- (a) the continued appointment of Mr Ng Cher Yan, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(A) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and
- (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Ng Cher Yan as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution.

[See Explanatory Note (iii)]

(Resolution 11)

13. **Approval for the continued appointment of Mr Ng Cher Yan, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST**

That:

- (a) the continued appointment of Mr Ng Cher Yan, as an Independent Director, for purposes of Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022) be and is hereby approved; and

- (b) the authority conferred by this Resolution shall continue in force until the earlier of the following: (i) the retirement or resignation of Mr Ng Cher Yan as a Director; or (ii) the conclusion of the third AGM of the Company following the passing of this Resolution,

provided that this Resolution shall only be proposed and voted upon if Resolution 11 is passed by all shareholders of the Company by appointing the Chairman of the Meeting as proxy to vote at the AGM.

[See explanatory note (iii)]

(Resolution 12)

In compliance with Rule 210(5)(d)(iii)(B) of the Listing Manual of the SGX-ST (which will take effect from 1 January 2022), the Directors and the Chief Executive Officer of the Company, and their respective associates (as defined in the Listing Manual of the SGX-ST), shall abstain from voting on Resolution 12.

By Order of the Board

Kiar Lee Noi
Secretary
Singapore, 15 April 2021

Explanatory Notes:

- (i) On 8 April 2020, Singapore Exchange Regulation (“**SGX RegCo**”) issued a news release which introduced measures to support issuers amid the challenging business and economic climate due to COVID-19, including enabling the acceleration of fund-raising efforts by allowing Mainboard issuers to provisionally seek a general mandate for an issue of shares and convertible securities on a pro-rata basis of up to an aggregate of one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings (the “**Enhanced Share Issue Limit**”), versus fifty per centum (50%) previously. On 16 March 2021, SGX RegCo in consultation with the Monetary Authority of Singapore (MAS) had extended the availability of the Enhanced Share Issue Limit for the Mainboard issuers. Hence, the Mainboard issuers will have up to 31 December 2021 to seek or renew a general mandate for the Enhanced Share Issue Limited, which will expire at the conclusion of the next annual general meeting or on the date by which the next annual general meeting is required by law or the SGX-ST Mainboard Listing Manual to be held, whichever is the earliest.

The Company is proposing to avail itself of these measures and to seek shareholders’ approval for a general mandate with an Enhanced Share Issue Limit at the AGM in the event that circumstances evolving amid the COVID-19 situation reach such an extent that a fifty per centum (50%) limit for pro-rata issues is no longer sufficient to meet the Company’s needs. If this was to occur and no Enhanced Share Issue Limit was to be in place, fund raising efforts would otherwise be unnecessarily hampered and compromised by the time needed to obtain shareholders’ approval to issue shares above the fifty per centum (50%) threshold.

In connection with the Enhanced Share Issue Limit mandate, the Board of Directors is of the view that it would be in the interest of the Company and its shareholders on the basis of the following:

- (a) the Enhanced Share Issue Limit mandate will provide the Company with an option to strengthen its balance sheet, if required;
- (b) the proceeds from such fund raisings may be used to, among others, refinance existing borrowing, to pursue acquisitions or to fund capital expenditures; and
- (c) the Enhanced Share Issue Limit mandate will provide the Company with the flexibility to raise funds expediently, if required.

Accordingly, the Ordinary Resolution 7 in item 8 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law or the SGX-ST Mainboard Listing Manual to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro-rata basis to shareholders.

For determining the aggregate number of Shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution 7 is passed after adjusting for (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Ordinary Resolution 7 is passed; and (ii) any subsequent bonus issue, consolidation or subdivision of Shares.

The Enhanced Share Issue Limit is only valid until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law or the SGX-ST Mainboard Listing Manual to be held, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, by which date any Shares issued pursuant to the Enhanced Share Issue Limit must be listed, and no further Shares may be issued under that limit.

The Company will notify SGX RegCo, by way of email to enhancedsharelimit@sgx.com, of the date on which the general mandate with the Enhanced Share Issue Limit has been approved by shareholders.

- (ii) The Ordinary Resolution 8 in item 9 above, if passed, will empower the Directors of the Company, effective until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards in accordance with the rules of the Plan (which was approved at the extraordinary general meeting of the Company held on 27 April 2018) and to allot and issue from time to time such number of fully paid-up shares in the capital of the Company as may be required to be issued pursuant to the vesting of the awards under the Plan provided that the aggregate number of shares to be issued pursuant to the Plan and any other share incentive schemes of the Company, shall not exceed three per centum (3.0%) of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) from time to time.
- (iii) The Ordinary Resolutions 9, 10, 11 and 12 in items 10, 11, 12 and 13 above are in anticipation of Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST which will take effect from 1 January 2022.

Rule 210(5)(d)(iii) of the Listing Manual of the SGX-ST provides that a Director will not be independent if he/she has been a Director for an aggregate period of more than nine (9) years and his/her continued appointment as an independent Director has not been sought and approved in separate resolutions by (a) all shareholders; and (b) shareholders excluding the Directors and the Chief Executive Officer of the Company, and their respective associates (the **"Two-Tier Voting"**).

Mr Sim Idrus Munandar and Mr Ng Cher Yan are the Independent Directors who have served on the Board more than nine (9) years.

In view of the challenges faced in this ongoing COVID-19 pandemic, the Board, saved for the affected directors who had abstained from all deliberation, have recommended the continued appointment of Mr Sim Idrus Munandar and Mr Ng Cher Yan as independent Directors to assist the Board to address these challenges, via a Two-Tier Voting process for a three-year term, with effect from the passing of these resolutions proposed at the forthcoming AGM, until the conclusion of the third AGM of the Company following the passing of these resolutions.

A rigorous review was conducted for Mr Sim Idrus Munandar and Mr Ng Cher Yan to assess their independence pursuant to Guideline 2.4 of the Code of Corporate Governance 2012, which will be in effect till 31 December 2021. The Board seeks to strike an appropriate balance between tenure of service, continuity of experience and refreshment of the Board. Such refreshment process will take some time in order to maintain stability of the Board. Furthermore, the Company benefits from such Directors who have, over time, gained valuable insights into the Group, its market and the industry.

The Nominating Committee and the Board have determined that Mr Sim Idrus Munandar and Mr Ng Cher Yan demonstrated strong independent character and judgement in the Board's deliberations. Their vast experience enables them to provide the Board and the various Board Committees on which they serve, with pertinent experience and competence to facilitate sound decision-making and that their length of service does not in any way interfere in their ability to act in the best interests of the Company in exercising their independent judgement. Additionally, they have fulfilled the definition of Independent Directors of the Listing Manual of the SGX-ST and the Code of Corporate Governance 2018 (the **"Code"**). The Board trust that they are able to continue to discharge their duties independently with integrity and competency.

Upon passing the Ordinary Resolutions 9, 10, 11 and 12 respectively, the continued appointment of each of Mr Sim Idrus Munandar and Mr Ng Cher Yan as an Independent Director of the Company shall continue in force until the earlier of: (i) their retirement or resignation as the Independent Directors; or (ii) the conclusion of the third AGM of the Company following the passing of these resolutions.

Should the Ordinary Resolution(s) for the continued appointment of each of Mr Sim Idrus Munandar and Mr Ng Cher Yan as an Independent Director is/are not passed at the forthcoming AGM, each of Mr Sim Idrus Munandar and/or Mr Ng Cher Yan will no longer be independent and shall continue as Non-Independent Director(s) of the Company.

Rule 210(5)(c) of the Listing Manual of the SGX-ST (which will come into effect on 1 January 2022) and Provision 2.2 of the Code provides that the Independent Directors must comprise of at least one-third of the Board and the Independent Directors shall make up a majority of the Board where the Chairman is not independent respectively. In the event that the Ordinary Resolution(s) for the continued appointment of each of Mr Sim Idrus Munandar and/or Mr Ng Cher Yan as an Independent Director is/are not passed at the forthcoming AGM which renders the Company unable to meet these requirements, the Company shall make the necessary arrangement to comply with the relevant listing rules of the Listing Manual of the SGX-ST and the Code.

Notes:

1. The AGM is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of this Notice will not be sent to members. Instead, this Notice will be sent to members by electronic means via publication on the Company's corporate website at the URL <https://www.sampoernakayoe.co.id/investors/minutes-of-agm-egm/>. This Notice will also be made available on the SGX's website at the URL <https://www.sgx.com/securities/company-announcements>.
2. Alternative arrangements relating to (i) attendance at the AGM via electronic means (including arrangements by which the Meeting can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream); (ii) submission of questions in advance in relation to any resolution set out in this Notice; (iii) addressing of substantial and relevant questions at the AGM prior to, or at, the AGM; and (iv) voting by appointing the Chairman of the Meeting as proxy at the AGM, are set out in the accompanying Company's announcement dated 15 April 2021. This announcement may be accessed at the Company's corporate website at the URL <https://www.sampoernakayoe.co.id/investors/minutes-of-agm-egm/>, and will also be made available on the SGX's website at the URL <https://www.sgx.com/securities/company-announcements>.
3. **Due to the prevailing COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.** The accompanying proxy form for the AGM may be accessed at the Company's corporate website at the URL <https://www.sampoernakayoe.co.id/investors/minutes-of-agm-egm/>, and will also be made available on the SGX's website at the URL <https://www.sgx.com/securities/company-announcements>.

Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy; failing which, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

Central Provident Fund (“CPF”) or Supplemental Retirement Scheme (“SRS”) investors who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 20 April 2021.

4. The Chairman of the Meeting, as proxy, need not be a member of the Company.
5. The instrument appointing the Chairman of the Meeting as proxy must be submitted to the Company in the following manner:
 - (a) if submitted by post, be deposited with the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd (“BCAS”), at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or
 - (b) if submitted electronically, be submitted via email to the Company’s Share Registrar, BCAS, at AGM.TeamE@boardroomlimited.com,

in either case, not less than forty-eight (48) hours before the time appointed for the AGM.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

6. The Annual Report for the financial year ended 31 December 2020 may be accessed at the Company’s corporate website at the URL <https://www.sampoernakayoe.co.id/annual-report> by clicking on the hyperlinks “Download” under the “2020” section of “Annual Reports”.

Personal data privacy:

By (a) submitting the Proxy Form appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the AGM via “live” audio-visual webcast or “live” audio-only stream, or (c) submitting question in advance in relation to any resolution set out in the Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents or service providers) for the following purposes:

- (i) processing and administration by the Company (or its agents or service providers) of Proxy Forms appointing the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes (including questions and answers) and other documents relating to the AGM (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to observe and/or listen the proceedings of the AGM via “live” audio-visual webcast or “live” audio-only stream and providing them with any technical assistance where necessary;
- (iii) addressing all substantial and relevant questions received from members relating to the resolutions set out in the Notice of AGM to be tabled for approval at the AGM prior to the AGM and if necessary, following up with the relevant members in relation to such questions; and
- (v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of a member may be recorded by the Company for such purposes.