

STATEMENT OF COMPLIANCE

for

KTS Plantation Sdn. Bhd. (126816-X)

Lot 32, Bandar Pasaraya Commercial Complex, Mile 4, North Road, WDT 20, 90009 Sandakan, Sabah, Malaysia.

Tel: +6089 271 601 Fax: +6089 271 600 Email: ktsplantation@gmail.com

KTS Plantation has demonstrated compliance with the Sabah Timber Legality Standard (Sabah TLAS P1-4 Nov 2013) for the forest area based on the assessment conducted by Global Forestry Services (GFS) in **May 2023** reported in document # GFSSBH 003-196. This statement defines compliance with the due diligence requirements for legal compliance to the local Sabah Standard established as part of the current FLEGT VPA negotiations. The material harvested from this FMU is classified as Verified Legal (VL).

Product Schedule: *RIL Harvesting & ITP Development*

Legal Status: Verified Legal

Origin of Material: Sabah, Malaysia.

The validity of this Statement will be dependent upon the ability of **KTS Plantation** to demonstrate continual compliance with the Sabah Timber Legality Standard as monitored by GFS. GFS shall post a summary legal verification report and compliance statement on the GFS client database (www.gfsinc.biz).

GLOBAL FORESTRY SERVICES LEGAL VERIFICATION SERVICES

Audit Statement # : GFS 012 LVS
Issuance Date : 15 May 2023
Expiration Date : 14 May 2024

Global Forestry Services


Kevin T. Grace PhD
Director

The assessment, on which this statement is based, was made in good faith by evaluating representative samples of the organization's operations and activities in relation to the standards for Legality as defined by the Sabah TLAS Standard P1-4. This document does not constitute any representation to the quality of any products sold by the named organisations and Global Forestry Services accepts no liability in respect thereof. This statement remains the property of Global Forestry Services and must be returned upon request.

Document Control

GFS-FORM-006-SABAH TLAS-2.3	Title: Audit Statement Sabah TLAS P1-4	Issue: 04	Date: 18 Jul 2022
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LICENSED AREAS

for

KTS Plantation Sdn. Bhd. (126816-X)

Signed License Agreement / Form IIB: Land Title (Title Registration # and Date):

[JP (SLK) 125/93 (CO)] dated 01/05/1993 and expires on 01/01/2089, for an area of 57,240 ha.

Coupe Permit # & Expiry date

Compartment	Total Area (ha)	Coupe Permit #	Expiry Date	Activity
3	688.31	SDK 08/95 (A)	14/09/2025	ITP
4 (Block 1)	23.60	SDK 04/99	31/12/2028	ITP
4 (Block 2)	1,742.22	SDK 06/00	22/03/2030	ITP RIL
5	835.71	SDK 15/99	09/12/2029	ITP RIL
6	1,113.20	SDK 07/00	07/05/2030	ITP RIL
7	1,360.45	SDK 04/95	16/01/2025	ITP
8	712.03	SDK 08/95 (B)	19/01/2026	ITP
9	1,075.20	SDK 17/97	25/09/2027	ITP RIL
10	769.64	SDK 12/99	31/12/2029	ITP RIL
12	846.61	SDK 08/95 (C)	31/12/2026	ITP
13	385.45	SDK 15/98	31/12/2028	ITP RIL
17	523.77	SDK 01/01	28/03/2031	ITP RIL
20	747.77	SDK 02/01	13/09/2031	ITP RIL
18	569.98	SDK 04/02	01/11/2023	ITP RIL
23	385.45	SDK 05/02	01/11/2023	ITP RIL
26	1,432.45	SDK 11/02	14/07/2032	ITP RIL
16	1,000.72	SDK 17/02	01/12/2032	ITP RIL
34	1,030.00	SDK 14/03	26/06/2033	ITP RIL
35	581.55	SDK 28/03	20/08/2033	ITP RIL
38	363.62	SDK 30/03	17/11/2033	ITP RIL
37	781.25	SDK 18/13	31/07/2028	NFM RIL
43	492.22	SDK 03/04	01/03/2034	ITP RIL
46	748.97	SDK 12/04	07/07/2034	ITP RIL
33	1,185.13	SDK 35/04	27/09/2034	ITP RIL
36	366.13	SDK 42/04	23/12/2034	ITP RIL
48	1,246.87	SDK 20/13	04/09/2028	NFM RIL
45	239.06	SDK 17/05	26/04/2035	ITP RIL
41	966.00	SDK 18/05	26/04/2035	ITP RIL
51	1,725.67	SDK 24/05	13/10/2035	ITP RIL
47	415.39	SDK 25/05	13/10/2035	ITP RIL
50	1,250.25	SDK 01/06	02/01/2036	ITP RIL
57	412.34	SDK 07/06	20/03/2036	ITP RIL
55	515.67	SDK 08/06	20/03/2036	ITP RIL
54*	1,078.90	SDK 11/07	16/04/2022	ITP RIL
53*	1,715.67	SDK 52/07	09/10/2022	ITP RIL
58	809.37	SDK 01/11	01/03/2026	ITP RIL
59	1,081.25	SDK 13/12	31/10/2027	NFM RIL
60**	771.23	SDK 17/08	16/07/2023	ITP RIL
62	712.50	SDK 05/13	07/02/2028	NFM RIL
63	677.00	SDK 25/08	27/07/2024	ITP RIL
64	956.25	SDK 27/09	22/12/2024	ITP RIL
65	1,012.50	SDK 14/10	21/09/2025	ITP RIL

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66	806.25	SDK 06/10	10/06/2025	ITP RIL
68	813.37	SDK 12/11	26/09/2026	ITP RIL
40	466.40	SDK 16/14	24/09/2029	NFM RIL
42	400.35	SDK 17/14	30/09/2029	NFM RIL
44	611.38	SDK 18/14	30/09/2029	NFM RIL
70	1,152.00	SDK 07/15	02/07/2030	ITP RIL
67	900.00	SDK 03/15	12/01/2030	Restoration & enrichment planting
69	858.00	SDK 04/15	12/01/2030	Restoration & enrichment planting
22	1,185.60	SDK 01/16	07/01/2031	NFM RIL
30	775.26	SDK 05/16	05/04/2031	NFM RIL
28	366.40	SDK 06/16	28/04/2031	NFM RIL
14	532.51	SDK 07/16	02/06/2031	NFM RIL
25	782.64	SDK 12/16	29/09/2031	NFM RIL
19	819.39	SDK 03/17	25/05/2032	NFM RIL
27	525.61	SDK 17/18	18/07/2033	NFM RIL & Silviculture
11	707.16	SDK 01/18	04/01/2033	NFM RIL & Silviculture
15	821.28	SDK 02/18	04/01/2033	ITP RIL
Total	47,870.95			

Note: *KTS Plantation submitted the renewal letter (Ref.#: P/FD/2201/Lo8 dated 11/01/2022). PPD Sandakan will conduct the field inspection as soon the road is accessible. (Ref.#: JPHTN/SDK700-2/1/1/21(KLT.4)/09 & JPHTN/SDK700-2/1/1/20(KLT.1)/35 dated 24/01/2022).

**Letter of renewal for compartment 60 was submitted and acknowledged receipt by SFD Sandakan (Ref.#: P/FD/2304/L15 dated 28/04/2023).

Form IIB Permit
Not applicable

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