

STATEMENT OF COMPLIANCE

for

Asian Forestry Company (Sabah) Sdn. Bhd. (371259-W)

F-55-2A, 1 Avenue Commercial Centre, Jalan WK, 89108 Kota Marudu, Sabah, Malaysia.

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Asian Forestry Company (Sabah) 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 **October 2023** reported in document # GFSSBH 003-223. 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: FMU 2 – Salvage logging & tree plantation

Legal Status: Verified Legal

Origin of Material: Sabah, Malaysia.

The validity of this Statement will be dependent upon the ability of **Asian Forestry Company (Sabah)** 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 162 LVS
Issuance Date : 09 October 2023
Expiration Date : 08 October 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

Asian Forestry Company (Sabah) Sdn. Bhd. (371259-W)

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

The SFMLA 01/2021 was signed between Asian Forestry Company (Sabah) and the State Government on 18/01/2021 valid for 30 years allowing the company to manage approximately 11,191 ha inside the Paitan Forest Reserve under the FMU 2.

Note: The approved SFMLA area is approximately 11,191 ha. However, based on the ground survey conducted by the Asian Forestry Company (Sabah) using the digitized map given by the SFD, the total area was 12,123.60 ha. Based on the SFD Ref. #: JPHTN/SFM800-1/1/37/25 dated 13/08/2021, Asian Forestry Company (Sabah) is required to submit the survey map to the SFD for the surveyed area of 12,123.60 ha. The SFD letter also stated that the duration of the SFMLA01/2021 to 50 years will be subject to performance; thus, the validity of the SFMLA 01/2021 shall be maintained for 30 years.

Coupe Permit # & Expiry date

#	Coupe #	Area (ha)	Expiry	Activity
1	KDT.01/2022	5,070.40	07/02/2037	ITP
	Total	5,070.40		

Form IIB Permit
Not applicable

GFS

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