

AUDIT STATEMENT

for

KTS Plantation Sdn. Bhd.

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 to the Sabah Timber Legality Standard (Sabah TLAS P1-4 Nov 2013) for the forest area based on the assessment conducted in Mar 2019 reported in document GFSSBH 003-011a. This statement serves to define 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 : *Please refer to Report # GFSSBH 003-011a*

Legal Status : Verified Legal

Origin of Material : Sabah, Malaysia.

Validity of this Statement of Compliance will be dependent upon the ability of **KTS Plantation** to demonstrate continual compliance to the Sabah Timber Legality Standard as monitored by GFS. Summary legal verification report and audit statement shall be posted on the client database (www.gfsinc.biz).

GLOBAL FORESTRY SERVICES LEGAL VERIFICATION SERVICES

Audit Statement # : GFS 012 LVS
Issuance Date : 01 April 2019
Expiration Date : 31 March 2020

Global Forestry Services



Kevin T. Grace Ph.D
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: 02	Date: 1 March 2017
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LICENSED AREAS

for

KTS Plantation Sdn. Bhd.

1.1.1.1 Signed License Agreement

Signed Licensed Agreement [JP (SLK) 125/93 (CO)] dated 1 May 1993 and expires on 1 January 2089, for an area of 57,240 ha.

1.1.1.2 Coupe Permit # & 1.1.1.3 Expiry date

Valid coupe permit.

Cpmt.	Total Area (ha)	Coupe Permit #	Expiry Date	Activity	Remark(s)
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	01/11/2017	ITP RIL	Renewal application was submitted to PPD SDK
23	385.45	SDK 05/02	01/11/2017	ITP RIL	
26	1,432.45	SDK 11/02	14/07/2017	ITP RIL	(Ref. #: P/FD/1706/L17 dated 19/06/2017)
16	1,000.72	SDK 17/02	01/12/2017	ITP RIL	
34	1,030.00	SDK 14/03	26/06/2018	ITP RIL	Renewal application was submitted to
35	581.55	SDK 28/03	20/08/2018	ITP RIL	

Document Control

GFS-FORM-006-SABAH TLAS-2.3 | Title: Audit Statement Sabah TLAS P1-4 | Issue: 02 | Date: 1 March 2017

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38	363.62	SDK 30/03	18/11/2018	ITP RIL	PPD SDK (Ref. #: P/FD/1808/L11 dated 07/08/2018)
37	781.25	SDK 18/13	31/07/2028	NFM RIL	-
43	492.22	SDK 03/04	02/03/2019	ITP RIL	Renewal application was submitted to PPD SDK (Ref. #: P/FD/1902/L03 dated 11/02/2019)
46	748.97	SDK 12/04	07/07/2019	ITP RIL	
33	1,185.13	SDK 35/04	26/09/2019	ITP RIL	
36	366.13	SDK 42/04	23/12/2019	ITP RIL	
48	1,246.87	SDK 20/13	04/09/2028	NFM RIL	-
45	239.06	SDK 17/05	26/04/2020	ITP RIL	-
41	966.00	SDK 18/05	26/04/2020	ITP RIL	-
51	1,725.67	SDK 24/05	14/10/2020	ITP RIL	-
47	415.39	SDK 25/05	14/10/2020	ITP RIL	-
50	1,250.25	SDK 01/06	03/01/2021	ITP RIL	-
57	412.34	SDK 07/06	19/03/2021	ITP RIL	-
55	515.67	SDK 08/06	19/03/2021	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	-
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	24/09/202	NFM RIL	-

Document Control

GFS-FORM-006-SABAH TLAS-2.3	Title: Audit Statement Sabah TLAS P1-4	Issue: 02	Date: 1 March 2017
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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 (Block 1)	525.61	SDK 17/18	18/07/2033	NFM full RIL & Silviculture	-
11	707.16	SDK 01/18	04/01/2033	NFM full RIL & Silviculture	-
15	821.28	SDK 02/18	04/01/2033	ITP RIL	-

FDS staff are conducting the field inspection (coupe boundary re-brushing, survey data and map) prior to approve extension of the validity for all expired coupe permits of Compartment 16, 18, 23, 26, 34, 35 and 38 (Ref. #: JPHTN/SDK 800-1/3/1/4(KLT.5)29 dated 18th December 2018 and JPHTN/SDK 800-1/3/4(KLT.5)/33 dated 11th January 2019); as well as for Compartment 33, 36, 43, 46 (Ref. #: JPHTN/SDK 700-2/1/1/68(JLD.1)/03 dated 25th February 2019).

March 2019: GAP 002/2019 (Minor)

A total of 8 coupe permits are expired and pending a field inspection prior renewal (4 expires in 2017- Compartment 18, 23, 26, 16; 3 in 2018 – Compartment 34, 35, 38 and 1 in 2019 – Compartment 43).

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