



KUMPULAN PENGURUSAN KAYU KAYAN TRENGGANU SDN BHD (KPKKT)

PUBLIC STATEMENT ON THE MERGING & UNIFICATION OF THE FSC CERTIFICATION OF DUNGUN TIMBER COMPLEX (DTC) & CHERUL FOREST CONCESSION (CFC) UNDER KPKKT

The decision by Golden Pharos Bhd (GPB) to combine the management of the two forest concessions of Dungun Timber Complex (DTC) and Cherul Forest Concession (CFC), and subsequently place them under one single management of KPKKT, was made in order to enable the unique tropical forest resources and ecology in both areas to be professionally managed in a sustainable manner and conserved in perpetuity, i.e. in accordance with the prevailing prescribed local and international standards. Such decision was arrived at by Golden Pharos Bhd (GPB) the parent company of both KPKKT and Pesama Timber Corporation (or Pesama, the original manager of CFC)) in one of GPB Board's meetings in 2019 upon considering all the pros and cons of such decision. Since then all relevant activities and on-the-ground decisions concerning CFC certifications under relevant processes were progressively taken over and geared towards enabling it to be transferred to KPKKT including all key responsibilities and resources.

These include, among others the official businesses and dealings with relevant authorities as well as the international certification of Cherul Forest Concession under the Forest Stewardship Council (FSC) which must now be combined with that of KPKKT.

It is to be noted that Pesama had had no issue at all as regards its FSC certification of CFC as a "well-managed forest" since its accession to that status in 2012.

It follows therefore that the SCS/FSC auditing exercise which was done remotely during September 2021 represented the first time the two forest concessions were audited together under one single banner of KPKKT since April 2008 when DTC was first certified by SCS/FSC as a "well-managed forest".

KPKKT looks forwards to more exciting years ahead in managing the two forest concessions under the Sustainable Forest Management (SFM) principle and the precepts of the Malaysian Selective Management System (SMS), while meeting the standards of FSC and expectations of the various stakeholders.

For more information on KPKKT, DTC and CFC, please go to www.kpkkt.com.my