



**SHIN YANG FORESTRY SDN. BHD.
(Company No.: 418036-D)**

PUBLIC SUMMARY

**FOREST PLANTATION
MANAGEMENT PLAN
(Second Rotation Development)**

FOR

**LPF/0019 – Masama FPMU
(VERSION 01-Revised on June 2026)**

1. Introduction of Masama FPMU

Shin Yang Forestry Sdn. Bhd. manages Licence for Planted Forests (LPF) No. LPF/0019, located in the Selangau and Tatau Districts, Sarawak, under a 60-year licence granted by the Forest Department Sarawak from 19 November 1999 to 18 November 2059.

For the purpose of certification under the Malaysian Timber Certification Scheme (MTCS ST 1002:2021), a portion of Masama Estate has been designated as the Masama Forest Plantation Management Unit (Masama FPMU), comprising Coupes BT1 to BT5 with a total certified area of 11,946 ha. The management area comprises plantable areas, conservation areas and dispute areas. Plantation development is confined to designated plantable areas, while conservation and dispute areas are excluded from operational activities and managed in accordance with applicable legal, environmental and certification requirements.

The area distribution within Masama FPMU is presented in Table 1, while the location of the certified management unit is shown in Figure 1.

Table 1: Area Distribution within Masama FPMU

Coupe No.	Total Area (Ha.)	Plantable Areas (ha)	Conservation Area	Dispute Area (Ha.)
BT1	2,084	837	841	406
BT2	3,198	1,393	1,285	520
BT3	1,949	1,867	82	0
BT4	2,276	1,987	166	123
BT5	2,439	1,594	82	763
Total	11,946	7,678	2,456	1,812

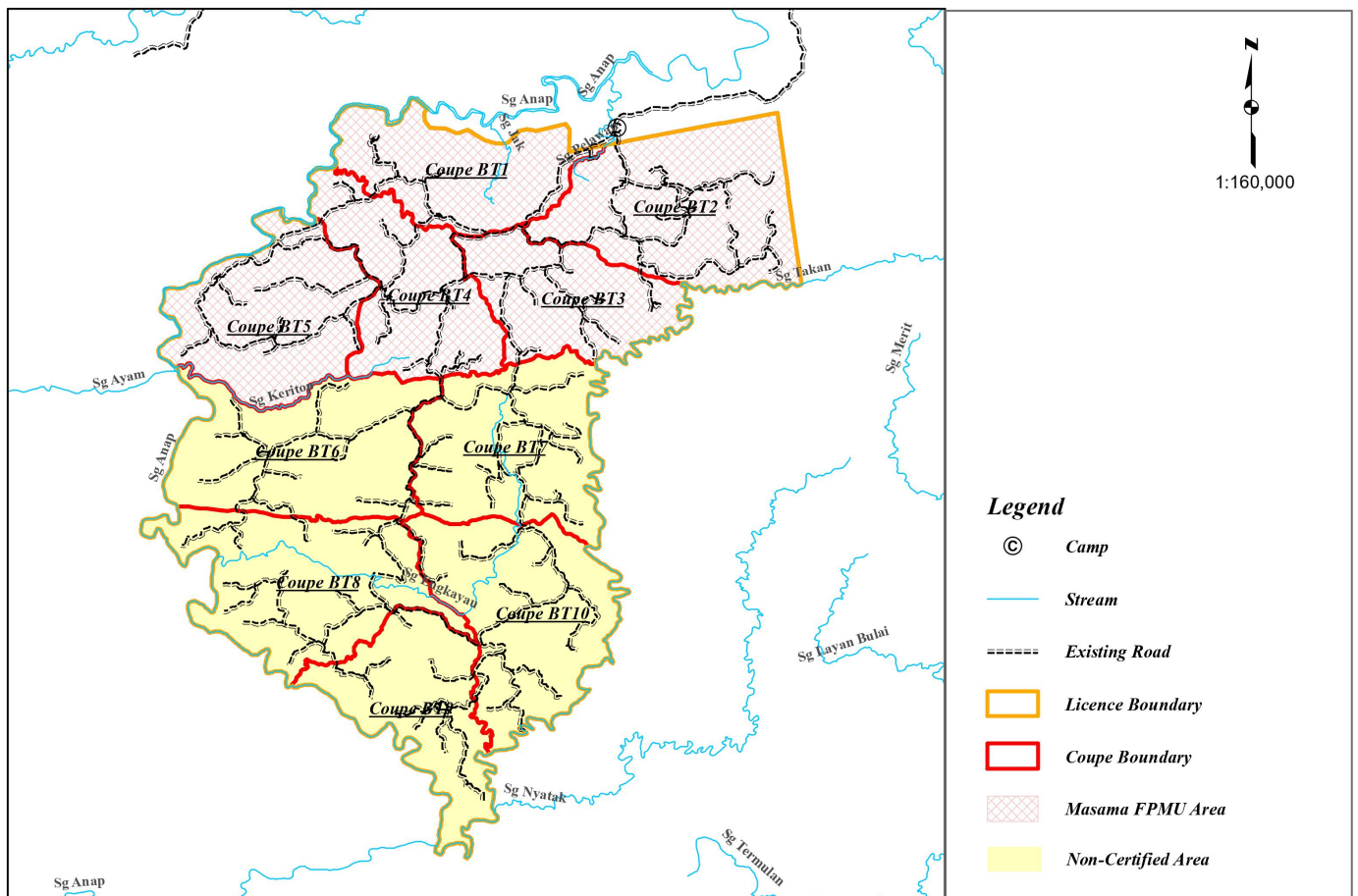


Figure 1: Certified Area of Masama FPMU within Masama Estate

2. Policy of Commitment

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Rev. No. : 07



POLICY OF COMMITMENT MC & I for Sustainable Forest Management

Shin Yang Forestry Sdn. Bhd. manages tree seedlings in nursery, tree planting activities and tree harvesting activities at Kuala Baram tree plantation, LPF0017 (Kejin FPMU), LPF0018 (Penyuan FPMU) and LPF0019 (Masama FPMU) Site. This Policy of Commitment defines the company's commitment towards the Malaysia Criteria and Indicators for Forest Plantation Management Certification. This Policy will be a guideline for all levels of our employees and stakeholders in carrying out the company's business in a conscience manner.

Shin Yang Forestry Sdn. Bhd. menjalankan aktiviti pengurusan anak benih di nurseri, aktiviti penanaman pokok dan aktiviti penuaian hutan di ladang hutan Kuala Baram, LPF0017 (Kejin FPMU), LPF0018 (Penyuan FPMU) dan LPF0019 (Masama FPMU). Dasar ini menjelaskan komitmen syarikat terhadap Kriteria dan Petunjuk Malaysia untuk Pensijilan Pegurusan Ladang Hutan. Polisi ini akan menjadi garis panduan kepada semua peringkat pekerja dan yang berkepentingan supaya dapat menjalankan bisnes syarikat dalam keadaan yang tertib.

It is our commitment to:

Ini adalah komitmen kami untuk:

1. Comply with all applicable laws, regulations and requirements related to forest management.
Mematuhi semua undang-undang, peraturan, dan syarat-syarat yang berkaitan dengan pengurusan hutan.
2. Operate according to approved Forest Plantation Management Plan and fulfils all conditions in the Environmental Impact Assessment Agreement.
Menjalankan operasi mengikut Rancangan Pengurusan Hutan Perladangan yang telah diluluskan dan memenuhi semua syarat-syarat di dalam Perjanjian Penilaian Impak Persekitaran (EIA).
3. Continual assessment, evaluation and improvement of forest management practices through monitoring and review.
Menjalankan penaksiran, penilaian dan penambahbaikan amalan pengurusan hutan yang berterusan melalui pemantauan dan kajian/penelitian semula.
4. Support local communities through employment opportunities and recognize local customs & Native Customary Right as defined by regional laws.
Membantu masyarakat tempatan dengan memberi peluang pekerjaan dan mematuhi adat-adat masyarakat tempatan & Hak Adat Orang Asal seperti yang ditakrifkan oleh undang-undang serantau.
5. Enhance the skills, knowledge and competency of employee and local community through relevant trainings.
Meningkatkan kemahiran, pengetahuan dan kecekapan pekerja dan masyarakat tempatan melalui latihan yang berkaitan.
6. Provide a safe working environment by adhering to occupational safety and health policy and ensure that all employees are trained in occupational safety and health.
Menyediakan persekitaran kerja yang selamat dengan mematuhi dasar keselamatan dan kesihatan pekerjaan dan memastikan semua pekerja diberi latihan berkenaan keselamatan dan kesihatan pekerjaan.
7. Ensure environmental degradation and pollution prevented or controlled through an effective control measures.
Memastikan kemerosotan dan pencemaran alam sekitar dicegah atau dikawal melalui kaedah kawalan yang berkesan.
8. Maintaining existing biological diversity by established the natural conservation and protection area.
Mengekalkan kepelbagaian biologi yang sedia ada dengan mewujudkan kawasan pemuliharaan dan kawasan perlindungan semulajadi.
9. Ensure the timber harvesting is sustainable and adhering to low impact harvesting methods.
Memastikan pembalakan dijalankan secara mampan dan mematuhi kaedah penuaian berimpak rendah.
10. Use only approved agrochemical registered with the Pesticides Board of Malaysia under the Pesticides Act 1974.
Hanya menggunakan agrokimia yang diluluskan dan berdaftar dengan Lembaga Racun Makhluk Perosak Malaysia di bawah Akta Racun Makhluk Perosak 1974.
11. Encourage the use of environmentally friendly non-chemical materials while minimizing the use of chemicals in pest and disease management practices.
Galakkan penggunaan bahan bukan kimia yang mesra alam sambil meminimumkan penggunaan bahan kimia dalam amalan pengurusan penyakit dan perosak.

Mr. Andy Wong Ko Hock
Executive Director &
Chief Executive Officer
26.07.2022

Datuk James Ling Lu Kiong
Group Executive Vice Chairman &
Group Managing Director
26.07.2022

3. Management Objectives

The management objectives of Masama Forest Plantation Management Unit (Masama FPMU) are to ensure the sustainable establishment, management and harvesting of forest plantations while maintaining an appropriate balance between economic, environmental and social considerations. The FPMU is managed in accordance with the Forest Plantation Management Plan (FPMP), applicable legal requirements and the Malaysian Timber Certification Scheme (MTCS ST 1002:2021). Key objectives include sustainable timber production through responsible plantation management, conservation of biodiversity and High Conservation Value Areas (HCVAs), protection of soil and water resources, recognition of the rights and interests of local communities, provision of a safe and healthy working environment, promotion of research and development to improve plantation productivity, and contribution to climate change mitigation through sustainable forest plantation management.

4. Organisation, Forest Resources and Management Area

Shin Yang Forestry Sdn. Bhd. is the licence holder and manager of Licence for Planted Forests (LPF) No. LPF/0019. For certification purposes, Masama Forest Plantation Management Unit (Masama FPMU) comprises Coupes BT1 to BT5, covering a certified area of 11,946 ha, including 7,678 ha of plantable areas, 2,456 ha of conservation areas and 1,812 ha of others uses areas. Plantation development is restricted to designated plantable areas, while conservation areas, riparian buffer zones, water catchments, steep terrain and other environmentally sensitive areas are excluded from operational activities and managed for environmental protection. The FPMU is surrounded by natural forests, agricultural land, local communities and adjacent planted forest licences. The management recognises the rights and interests of neighbouring communities and is committed to sustainable forest plantation management through responsible environmental, economic and social practices.

5. Environmental, Land Use and Socio-economic Conditions

Masama Forest Plantation Management Unit (Masama FPMU) comprises forest plantation areas, conservation areas and environmentally sensitive areas, including High Conservation Value Areas (HCVAs), riparian buffer zones, water catchments and steep terrain. These areas are protected and managed to conserve biodiversity, maintain ecosystem functions and safeguard water resources. Plantation development is confined to designated plantable areas, while conservation areas and other protected sites are excluded from operational activities.

The surrounding landscape comprises natural forests, agricultural land and local communities, predominantly of the Iban and Beketan ethnic groups. The local communities rely on the surrounding environment for domestic water supply, agriculture, fishing and the collection of non-timber forest products (NTFPs). Masama FPMU recognises and respects the rights, customs and interests of local communities through regular stakeholder engagement, consultation and an established grievance mechanism. Table 2 lists the settlements located within and adjacent to Masama FPMU, while Figure 2 illustrates their locations in relation to the certified management unit.

Table 2: Settlements Located within and Adjacent to Masama FPMU

Longhouses	Head of Community	Ethnicity
Rh. Anai	Anai anak Sain	Iban
Rh. Dilang	Dilang anak Gindang	Iban
Rh. Johnny	Johnny anak Mancha	Iban
Rh. Kelisop	Kelisop anak Menin	Beketan
Rh. Medan	Medan anak Langgong	Iban
Rh. Nyanau	Nyanau anak Sandum	Iban
Rh. Reenie	Reenie anak Ladut	Beketan
Rh. Satan	Satan anak Ubeng	Iban
Rh. Wan	Wan anak Brujong	Beketan

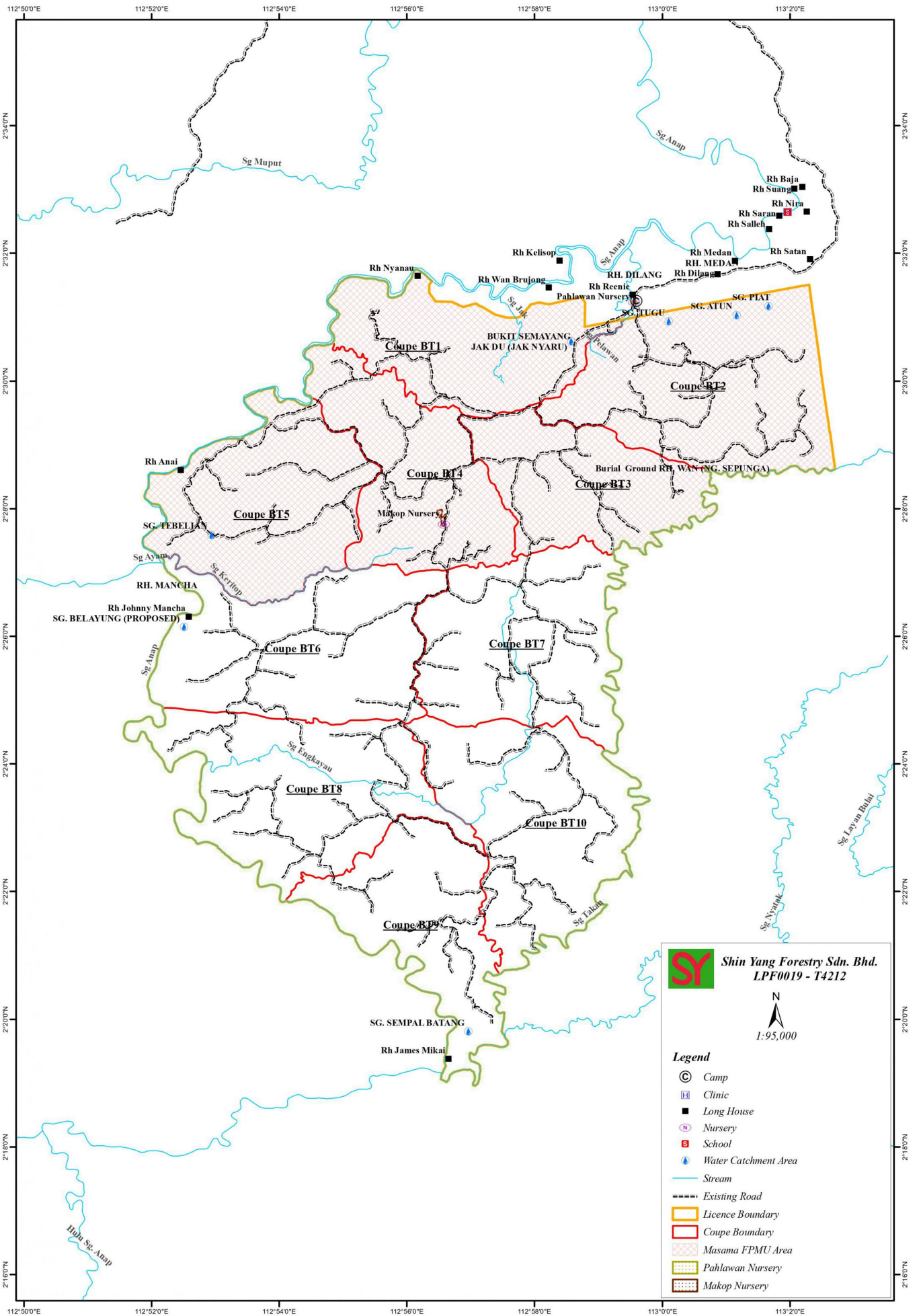


Figure 2: Location of Settlements within and Adjacent to Masama FPMU.

6. Silvicultural and Forest Management System

Masama Forest Plantation Management Unit (Masama FPMU) adopts a clear-felling followed by immediate replanting silvicultural system based on a 10-year rotation cycle. Plantation management includes nursery operations, site preparation, planting, fertilisation, weed control, pest and disease management, routine maintenance, and post-harvest rehabilitation. Forest fire prevention and control measures are implemented through fire risk assessments, maintenance of firebreaks, regular patrols, employee training, emergency preparedness and response procedures, and coordination with relevant government agencies.

7. Annual Harvesting and Species Selection

Annual harvesting is carried out in accordance with the approved Annual Harvesting Plan (AHP) and Annual Cutting Area (ACA) to ensure sustainable timber production. The principal plantation species are *Albizia falcataria* and *Acacia mangium*, selected for their rapid growth, adaptability and suitability for industrial timber production. Other species, including *Eucalyptus* spp., *Neolamarckia cadamba* and *Octomeles sumatrana*, are established on a trial basis to evaluate their suitability for future plantation development.

8. Forest Monitoring Programme

Masama FPMU implements regular monitoring programmes to evaluate plantation growth, harvesting performance, environmental quality, biodiversity and social impacts. Monitoring activities include plantation inventories, water quality monitoring, High Conservation Value Area (HCVA) monitoring, wildlife monitoring, environmental compliance audits and social monitoring. The results are reviewed periodically and incorporated into management planning to support continual improvement.

9. Environmental Safeguards

Masama Forest Plantation Management Unit (Masama FPMU) implements environmental safeguards in accordance with the approved Environmental Impact Assessment (EIA), Environmental Management Plan (EMP) and applicable environmental legislation. Operational activities are planned and conducted to minimise adverse environmental impacts through the protection of riparian buffer zones, water catchments, High Conservation Value Areas (HCVAs) and other environmentally sensitive areas. Additional measures include soil erosion and sediment control, responsible chemical and scheduled waste management, prohibition of open burning, and annual water quality monitoring. Environmental performance is regularly evaluated through the Environmental Compliance Audit (ECA) programme, comprising one Internal Environmental Compliance Audit (IECA) and one External Environmental Compliance Audit (EECA) each year, to verify compliance with EIA approval conditions, regulatory requirements and the effectiveness of environmental mitigation measures, thereby supporting continual environmental improvement.

10. High Conservation Value Areas

A High Conservation Value Area (HCVA) Assessment was conducted for Masama Forest Plantation Management Unit (Masama FPMU) by a multidisciplinary team from the Sarawak Forestry Corporation (SFC) in accordance with the HCV Toolkit for Malaysia (WWF-Malaysia, 2009). The assessment confirmed the presence of all six High Conservation Value (HCV) categories within the management unit.

The key High Conservation Values identified within Masama FPMU include:

- **HCV 1 – Biodiversity Values**
 - ✓ Adjacent to Bukit Mersing National Park.
 - ✓ Rare, Threatened and Endangered (RTE) flora and fauna.
 - ✓ Endemic species, including the Bornean Clouded Leopard (*Neofelis diardi borneensis*).
 - ✓ Active salt lick areas at Apan Sungai Nansang and Apan Sungai Ayam Keritop
- **HCV 2 – Landscape-level Forests**
 - ✓ Ecological connectivity with adjacent forest plantations, Anap Mutu FMU, Bukit Mersing National Park and surrounding natural forests.

- **HCV 3 – Rare, Threatened or Endangered Ecosystems**
 - ✓ Remnant Lowland Mixed Dipterocarp Forest.
 - ✓ Natural forest patches and riparian forests retained for conservation.
- **HCV 4 – Critical Ecosystem Services**
 - ✓ Terrain Class IV (slopes exceeding 35°).
 - ✓ Riparian buffer zones.
 - ✓ Rivers, streams and community water catchments that provide watershed protection and erosion control.
- **HCV 5 – Basic Needs of Local Communities**
 - ✓ Community water catchments

Table 3: Water Catchments within Masama Plantation

No.	Water Catchment	Primary Beneficiaries
1	Jak Du/Jak Nyaru	Rh. Wan
2	Sg. Piat	Rh. Dilang & Rh. Medan
3	Sg. Atun	Rh. Dilang & Rh. Medan
4	Sg. Tugu	Rh. Nyatun & Masama Plantation
5	Sg. Tebelian	Rh. Anai
6	Sg. Belayung	Rh. Mancha
7	Sg. Sempal Batang	Rh. Enteri

- ✓ Customary use areas comprising Pemakai Menoa, Pulau Galau and Temuda.

- **HCV 6 – Cultural Values of Local Communities**
 - ✓ Ng. Sepunga Burial Ground (Rh. Wan).
 - ✓ Bukit Semayang, a cultural and historical site of the Beketan community.

Protection of Rare, Threatened and Endangered (RTE) Species

Masama FPMU is committed to protecting Rare, Threatened and Endangered (RTE) species through the conservation of natural habitats, High Conservation Value Areas (HCVAs), riparian reserves and other environmentally sensitive areas. Identified RTE fauna include the Sunda Pangolin (*Manis javanica*), Bornean Clouded Leopard (*Neofelis diardi borneensis*), Southern Pig-tailed Macaque (*Macaca nemestrina*), Black Hornbill (*Anthracoceros malayanus*) and Rhinoceros Hornbill (*Buceros rhinoceros*). Important protected flora include Ensurai (*Dipterocarpus oblongifolius*), Belian (*Eusideroxylon zwageri*), Tapang (*Koompassia excelsa*) and other threatened dipterocarp species. Conservation measures include enforcement of the No Hunting Policy, protection and retention of identified RTE flora, regular wildlife and biodiversity monitoring, forest patrols, and exclusion of critical habitats from plantation development and harvesting activities to ensure the long-term conservation of biodiversity.

11. Harvesting Techniques and Equipment

Harvesting operations in Masama Forest Plantation Management Unit (Masama FPMU) are conducted using clear-felling, followed by immediate replanting in accordance with the Forest Plantation Management Plan. Harvesting activities are implemented in accordance with approved Standard Operating Procedures (SOPs) and environmentally responsible harvesting practices to minimise soil disturbance, protect water resources and safeguard environmentally sensitive areas.

Directional tree felling is carried out using chainsaws, while modified excavators equipped with winches are used to extract logs from the stump to designated skid trails. Crawler tractors are used to transport logs along approved skid trails to roadside landings before transportation to the log collection centre. Existing roads and skid trails are utilised wherever practicable to minimise additional land disturbance. Harvesting operations are suspended during prolonged wet weather, and all activities exclude High Conservation Value

Areas (HCVAs), riparian buffer zones, water catchments, steep terrain and other protected areas to minimise environmental impacts.

12. Stakeholder Consultation

Masama Forest Plantation Management Unit (Masama FPMU) maintains regular communication and consultation with local communities, relevant government agencies, contractors, employees and other interested stakeholders to promote transparency and sustainable forest plantation management. Stakeholder engagement is conducted through meetings, site visits, dialogues, information-sharing sessions and consultations on matters relating to plantation operations, environmental management, social issues and certification requirements.

Community consultation is undertaken directly with the respective Tuai Rumah (Headman), community leaders or affected individuals, depending on the nature of the issue. The Forest Plantation Management Unit Representative Committee (FPMURC) serves as the formal platform for stakeholder communication and consultation.

Masama FPMU has established a grievance and conflict resolution mechanism to ensure that stakeholder concerns are addressed in a fair, transparent and timely manner. The general conflict resolution process involves the submission of a complaint or grievance, registration and review, consultation and discussion with the relevant parties, implementation of an agreed resolution, documentation and follow-up. Where an issue cannot be resolved through consultation, it is escalated to higher management and, where necessary, referred to the relevant government authorities for further consideration. The general conflict resolution process is illustrated in Figure 3.

GENERAL FLOW CHART – CONFLICT RESOLUTION MANAGEMENT Masama Forest Plantation Management Unit (Masama FPMU)

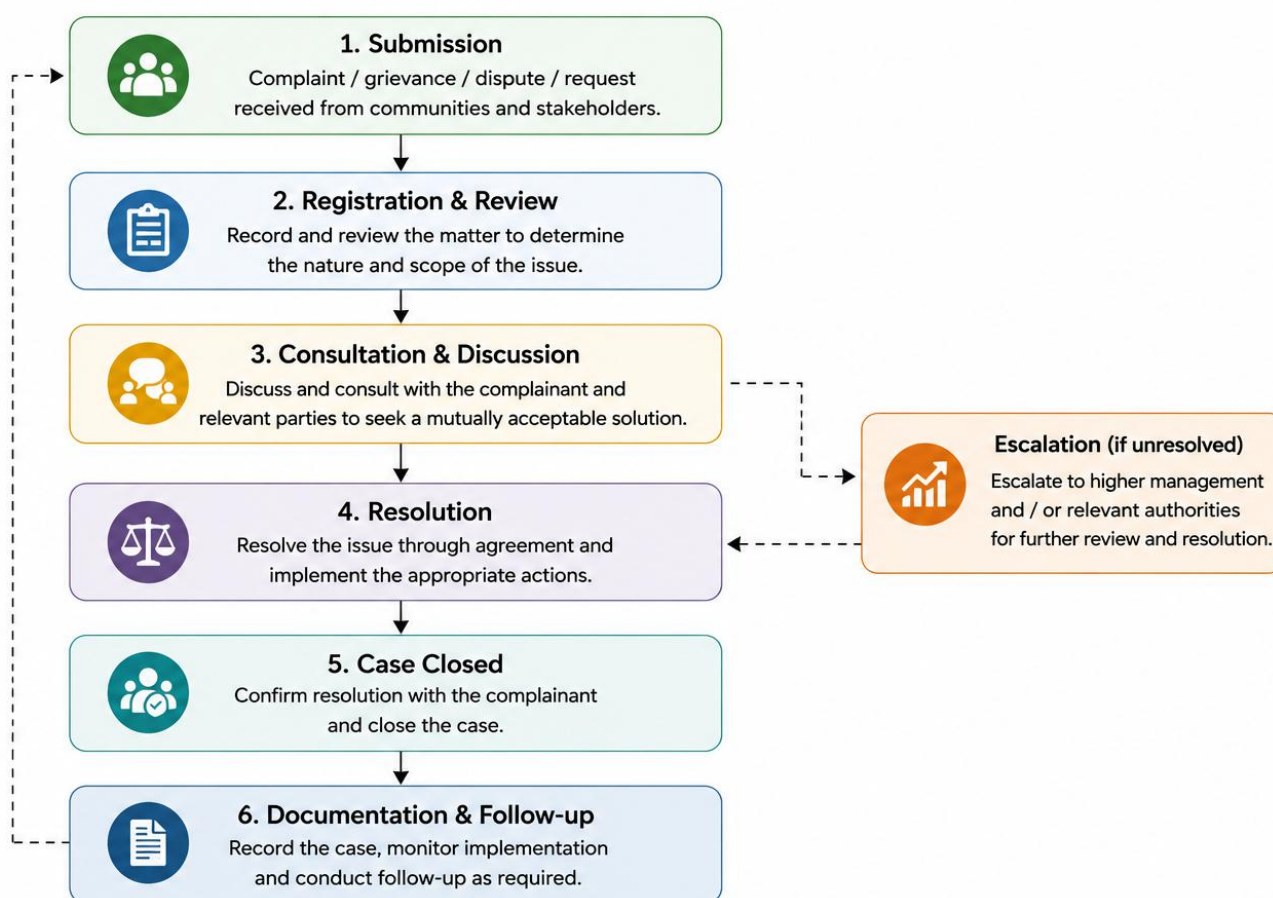


Figure 3: General Flowchart for Conflict Resolution Management

13. Budgetary

Masama Forest Plantation Management Unit (Masama FPMU) allocates adequate financial resources to support the effective implementation of the Forest Plantation Management Plan (FPMP). Annual budgetary provisions are made for plantation establishment and maintenance, harvesting operations, environmental protection, High Conservation Value Area (HCVA) management, biodiversity conservation, forest monitoring, occupational safety and health, staff training, infrastructure maintenance, stakeholder engagement and forest management certification activities.

The annual budget is reviewed periodically to ensure that sufficient resources are available to achieve the management objectives and support the continual improvement of sustainable forest plantation management.

14. Summary of Forest Monitoring and Assessment Results

Masama Forest Plantation Management Unit (Masama FPMU) implements a comprehensive monitoring programme to assess the effectiveness of forest plantation management and to support continual improvement. Monitoring results are reviewed periodically and incorporated into management planning and operational practices.

a) Yield of All Forest Products Harvested

Harvesting performance is monitored annually to ensure compliance with the approved Annual Harvesting Plan (AHP). As shown in Figure 4, the harvested plantation logs from the first rotation generally achieved the planned harvesting targets, with an increasing production trend from 2023 to 2025. The 2026 production data represent harvesting activities up to March 2026 only.

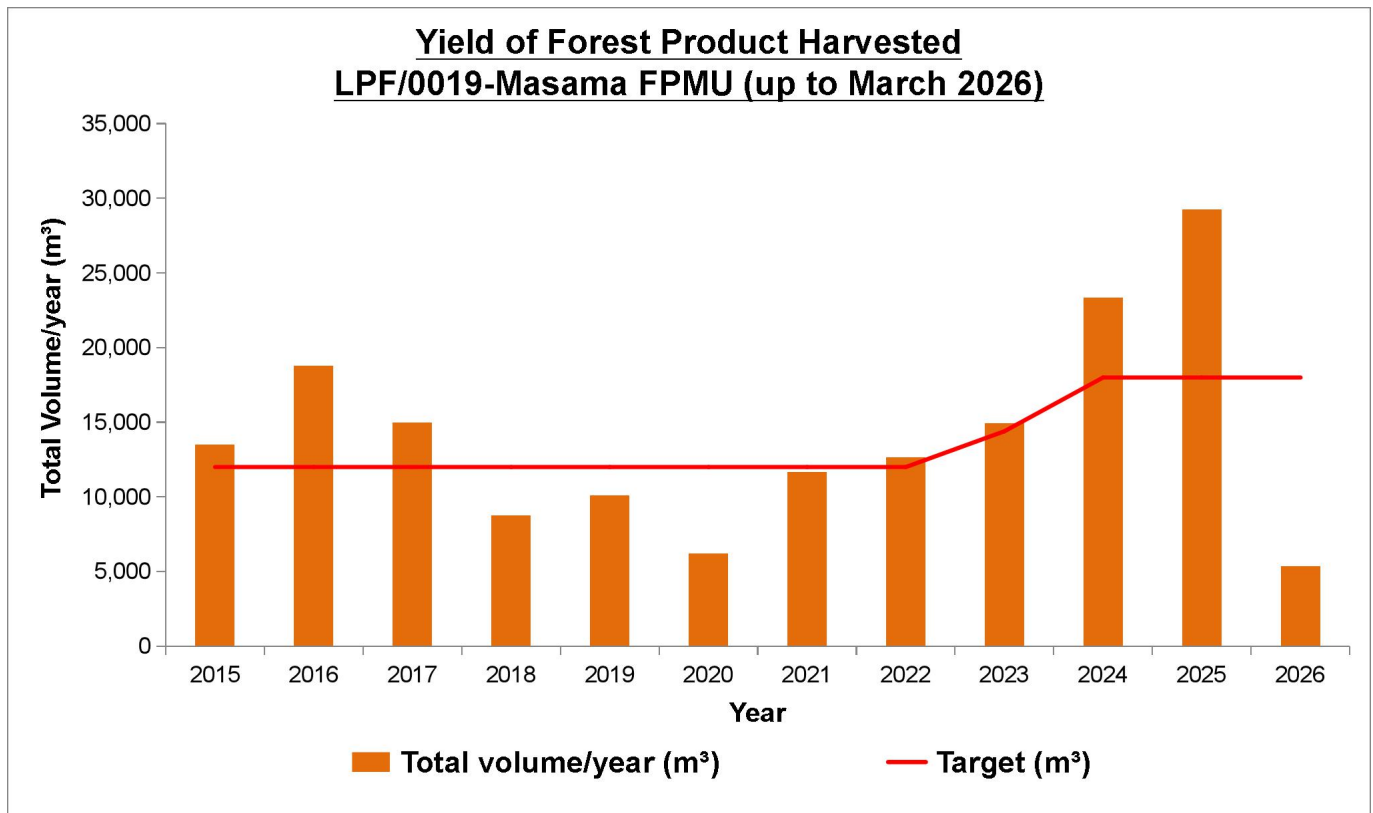


Figure 4: Yield of Harvested Plantation Logs (First Rotation) in LPF/0019 – Masama FPMU (2015 to March 2026)

b) Growth Rates of the Planted Forest

The growth performance of planted forests is monitored through periodic forest inventories to evaluate plantation productivity. The monitoring results indicate satisfactory growth across the plantation species. Mean Annual Increment (MAI) ranged from 3.98 to 13.19 m³/ha/year, with *Acacia mangium* recording the highest MAI (13.19 m³/ha/year), followed by *Albizia falcataria* (6.74–12.23 m³/ha/year), *Eucalyptus pellita* (8.44 m³/ha/year) and *Neolamarckia cadamba* (3.98 m³/ha/year). The results provide useful information for evaluating species performance and supporting future plantation management and species selection.

c) Composition and Observed Changes in Flora and Fauna

Flora

Flora monitoring conducted in 2025 confirmed that the composition of plant species within the High Conservation Value Areas (HCVAs) of Masama FPMU remained stable. The monitoring recorded the continued presence of protected, endemic and Rare, Threatened and Endangered (RTE) species, including *Dryobalanops beccarii* (Kapur Bukit), *Hopea nervosa* (Luis), *Richetia iliasii* (Lun), *Rubroshorea pinanga* (Meranti Langgai Bukit) and *Aquilaria microcarpa* (Gaharu). No significant changes or major threats to the monitored flora were observed during the assessment period, indicating that the conservation measures implemented remain effective.

Fauna

Fauna monitoring is conducted through routine monthly patrols within the High Conservation Value Areas (HCVAs) and other conservation areas. From 2016 to 2025, monitoring recorded between 3–10 herpetofauna species, 9–16 bird species and 5–11 mammal species. The monitoring results indicate that wildlife continues to utilise the plantation landscape and associated conservation areas, with no significant changes or major threats observed during the monitoring period. Species identification is undertaken during routine monitoring, and any unidentified species are recorded for verification during subsequent assessments, where necessary.

d) Environmental and Social Impacts of Harvesting and Other Operations

Environmental and social monitoring is conducted regularly to assess the impacts of harvesting and other plantation operations. As shown in Figure 5 and Figure 6, the 2025–2026 IECA water quality monitoring results complied with the Class IIB limits of the National Water Quality Standards for Malaysia (NWQSM). Improvements in several water quality parameters, including BOD, COD, TSS, TCC and TFC, indicate that the environmental mitigation measures implemented remain effective.

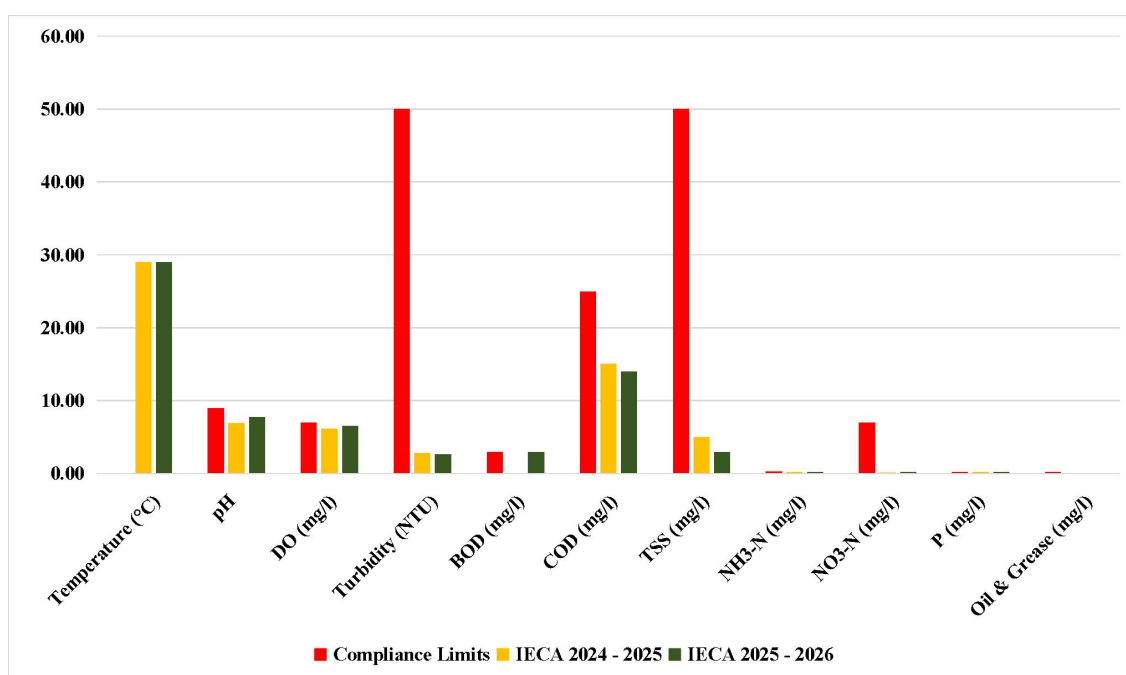


Figure 5: Comparison of Physicochemical Water Quality Results (IECA 2024–2025 and IECA 2025–2026)

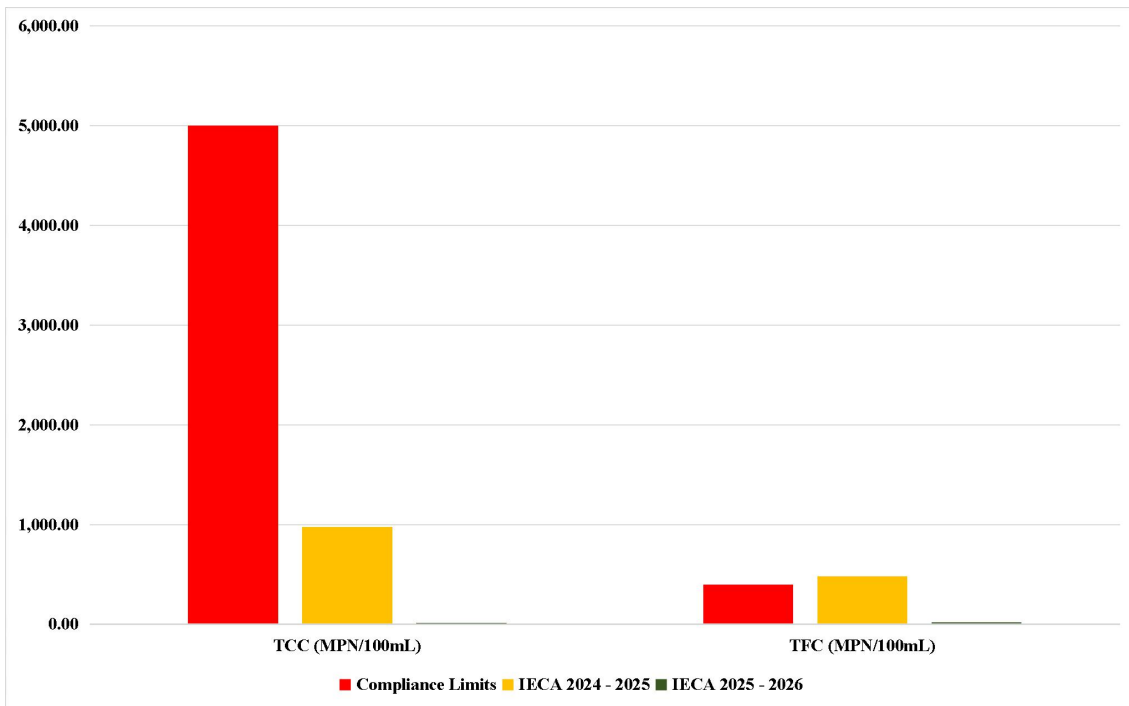


Figure 6: Comparison of Total Coliform Count (TCC) and Total Faecal Coliform (TFC) Results (IECA 2024–2025 and IECA 2025–2026)

Social monitoring, including stakeholder consultation, community relations, grievance management and occupational safety and health, indicated no significant adverse social impacts or unresolved grievances during the monitoring period.

e) High Conservation Value Area (HCVA) Monitoring Results

High Conservation Value Areas (HCVAs) are monitored regularly to assess the condition of conservation values and the effectiveness of management measures. The 2025 monitoring results confirmed that the identified HCVAs, including riparian buffer zones, water catchments, steep terrain (Terrain Class IV), natural forest patches, salt licks, burial grounds and other cultural sites, remained protected and free from significant encroachment or operational disturbance. The monitoring also confirmed the continued presence of protected, endemic and Rare, Threatened and Endangered (RTE) flora and fauna, indicating that the conservation measures implemented remain effective.

f) Cost and Productivity of Forest Management

The cost and productivity of forest management are monitored and reviewed regularly as part of the company's management system to support efficient and sustainable forest plantation operations. Detailed financial and operational productivity information is commercially confidential and is therefore not disclosed in this Public Summary. Further information may be obtained from the management upon reasonable request, subject to the company's confidentiality policy.

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