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## **Sustainable Forest Holdings Limited**

**永保林業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 723)**

### **VOLUNTARY ANNOUNCEMENT**

Reference is made to the announcements (“**Announcements**”) of Sustainable Forest Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) dated 20 October 2011, 7 November 2011, 22 April 2012 and 23 April 2012 in connection with, among other, certain articles (“**Article(s)**”) circulated in Brazil posing serious accusations against the Group. The Company is not aware of any further articles being circulated or published in connection with the same subject matters. This announcement is made to reiterate its denial to those accusations or allegations against the Group. Unless otherwise stated herein, all capitalised terms and definitions contained in this announcement shall have the same meanings as those defined in the Announcements.

### **ACCUSATIONS OR ALLEGATIONS AGAINST THE GROUP**

The Group refutes and clarifies the various accusations or allegations in the Articles as follows:

1. Neither the Company nor any of its current legal representatives is subject to any Federal Criminal Investigation Procedures in Brazil as of 5 September 2012 (which is the date of the latest search performed).
2. As confirmed by the Company’s previous Chief Operating Officer and head of Brazilian operations, the Company denies that UTRB was disqualified from bidding for any Brazilian public forest concessions as a result of any use of forged document, untrue financial statements or any other reason.
3. Apart from UTRB, which the Company acquired in July 2009, the Group had not acquired any Brazilian subsidiaries up to the date of this announcement. The Company does not have any unsettled consideration in relation to any purchase of a Brazilian company.
4. The Company has never paid any bribes for any of its contract.

\* *For identification purpose only*

5. So far as the Directors are aware and based on the Disclosure of Interests forms filed with the Company, there is no individual under the name “Matthew Yip” (a person alleged to be the fake owner of the Company) who holds, or had held, 5% or more of the Company’s issued share capital.
6. The Company announced on 2 November 2009 and 19 February 2010 that it was in negotiations for the proposed acquisitions of various Brazilian forestry and industrial assets. Both proposed acquisitions were subject to, among other things, the entering into of formal agreements and satisfactory due diligence. No formal agreements have been entered into and the Company did not proceed with such proposed acquisitions.

**Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Sustainable Forest Holdings Limited**  
**Fletcher Yurk Nam, Sandy**  
*Executive Director*

Hong Kong, 17 September 2012

*As at the date of this announcement, the Board comprises Ms. Loh Jiah Yee, Katherine, Ms. Fletcher Yurk Nam, Sandy, Mr. Li Zhixiong, Mr. Leung Siu Hung, Joel and Mr. Shih Chiu, David as executive directors; and Mr. John Tewksbury Banigan, Mr. Keung Paul Hinsum and Mr. Donald Smith Worthley as independent non-executive directors.*