Sabah TLAS Audit Report
Principles 5 & 6

Organisation	Sharikat Sri-Arjuna Sdn. Bhd. 197101001020 (11398-P)
Contact Person	Mr. Tiong Chee Khong (Manager)
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Reference #	GFSSBH 004-901
Audit Date **Date close out**	09/12/2025 -
Telephone	+6013 836 7782
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Approved By	Dr. Kevin Grace

Statements			
Statement of Compliance	GFS 267 WTP		
Issuance Date	15 December 2025	Expiration Date	14 December 2026

Assessment Details	
Company Type	Sawmill
Scope of Assessment	Sabah TLAS P5-6: JP(K)SG021/01(B01), KON(KSG)010/02(KK)
Product Group	Sawn timber, waste wood
Source of Material	Sabah, Malaysia
Species	*Lithocarpus spp.* (Mempening/Lithocarpus), Medang, (Darah-darah/Penarahan), *Rubroshorea pauciflora* (Obah), *Erythrina spp.* (Dadap), *Sonneratiaceae spp.* (Magas), Other Timber (OT)
Lead Assessor	Ennald Chin
Assessor(s)	Sheanna Kehong
SFD Staff	Mohd Zarul Bin Damit (PPD Sipitang), Zaini Noil (PPW Kota Kinabalu), Keneddy Didacus (PPD Sipitang), Supriyana Bin Makkang (ADFO Sipitang), Cosmas P. Abeh (PPW Kota Kinabalu), Noor Aqmal (PPD Sipitang), Alprince Alo (PPD Sipitang), Mohd Adzre Mohd Nasir (PPW Kota Kinabalu), Mohd Safeikh (PPD Sipitang), Mohd Radzie Raup (PPW Kota Kinabalu), Yusrijam Bin Md Yusof (PPD Sipitang)

Terms of Assessment

The scope of the evaluation is to verify compliance with Sharikat Sri-Arjuna Sdn. Bhd. to the criteria within the Sabah Timber Legality Assurance System (TLAS) Principle 5 - Mill Operations and Principle 6 - Trade and Customs standards. Compliance is defined when the organization demonstrates that there is no non-compliance to any applicable criteria. Non-compliance to the Sabah Legality Standard occurs when the organization does not comply with 1 or more criteria. Non-compliance must be formally addressed prior to certification or within 2 months following a surveillance assessment.

Limitations of Assessment

The information presented in this report is based on documentation and other information presented by the client and observations made during the field verification under the assessment. Auditor's reporting of information presented by the client is taken as accurate unless evaluated differently through the observations made during the assessment. All information presented in the report is accurate and complete to the best knowledge of GFS.

Background Information:

Sharikat Sri-Arjuna Sdn. Bhd. (Sharikat Sri-Arjuna) is, on and from 13/11/1971, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Sabah, Malaysia, with registration #: 197101001020 (11398-P). Sharikat Sri-Arjuna produced sawn timber and sells them to the local market only.

The previous assessment was conducted in December 2024 that resulted in 1 gap(s) and 1 observation(s) (Report #: GFSSBH 004-768).

Associated Organizations & Subcontractors:

Sharikat Sri-Arjuna does not engage subcontractor to produce and manufacture products. However, Tiong & Chun Enterprise provides manpower to Sharikat Sri-Arjuna.

Description of the Supply Chain:

From November 2024 to November 2025, Sharikat Sri-Arjuna purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Lembaga Kemajuan Tanah Negeri Sabah (Iburu Sdn. Bhd.)	JPHTN/FRM700-2/4/1/299© JLD2/8	Round logs	Sipitang	Non-Compliance	High

**GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products.*

Summary Results:

(Major gap = 0, Minor gap = 3, Observation = 2)

GAPs: Year 2025				
GAP #	**Type**	**Checklist**	**Status**	**Description**
001/2024	minor	5.2.1, 6.1.1, 6.1.2, 6.1.3	Closed	**December 2024:** The current purchasing system is not according to the COC procedure. **December 2025:** Purchasing included purchase orders and Sabah TLAS status in accordance with the COC procedure.
001/2025	minor	5.1.1	New	**December 2025:** The trading license has expired and pending approval for inspection by the Majlis Daerah Sipitang.
002/2025	minor	5.1.2	New	**December 2025:** The sawmill license has expired and pending approval from the SFD.
003/2025	minor	5.3.5, 5.3.8	New	**December 2025:** Sharikat Sri-Arjuna has not registered under DOSH as required

*Major = Non-Compliance

Observations: Year 2025		
Obs #	**Checklist**	**Description**
001-2024 Outstanding	5.1.3, 5.2.8	**December 2024:** Appendix manual for 2022 was not submitted to the SFD. **December 2025:** Appendix 1 manual for 2022 has yet to be submitted as required by SFD. Inconsistency in recording sawn timber CF volume for 03/2025 between online and manual submissions.
001-2025	5.1.6	**December 2025:** The production control does not clearly define issuing production batch units and TLAS status between receiving and production to the Finished Goods.

Highlights of Close-Out Visit (if applicable)	Date: -
Not applicable	

Recommendations

Sharikat Sri-Arjuna Sdn. Bhd. has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Statement of Compliance and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) from SFD.

Gap(s)/Observation(s) identified in this assessment should be addressed before the next surveillance visit. Action required to close the gap(s)/observation(s) include:
Gap 001/2025 (minor) – Checklist 5.1.1: Sharikat Sri-Arjuna shall follow up with the district regarding the status of the trading license.
Gap 002/2025 (minor) – Checklist 5.1.2: Sharikat Sri-Arjuna shall ensure the sawmill license is renewed annually at least three months before the expiry date and SFD shall expedite the approval process for the company to make payment.
Gap 003/2025 (minor) - Checklist 5.3.5, 5.3.8: Sharikat Sri-Arjuna shall register with DOSH as required.
Observation 001-2024 Outstanding – Checklist 5.3.6: Sharikat Sri Arjuna shall submit manual Appendix 1 for 2022 as required and ensure sawn timber CF is recorded correctly.
Observation 001-2025 – Checklist 5.1.6: The CoC procedure for production control shall clearly define batch production units incorporating Sabah TLAS status from receiving, production to Finished products.

The next surveillance visit is scheduled for December 2026.

End of Summary Report