Sabah TLAS Audit Report
Principles 5 & 6

Organisation	Sherwood Timber Processing Sdn. Bhd. 198901000016 (177322-D)
Contact Person	Mr. Hsiao Yu Sheng (Director) Mdm, Habibah Binti Suli (Admin)
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Mill Address	Mile 4.5, Jalan Apas, P.O. Box 61001, 91020 Tawau, Sabah, Malaysia.
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Reference #	GFSSBH 004-970
Audit Date **Date close out**	28/05/2026 -
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Approved By	Dr. Kevin Grace

Statements			
Statement of Compliance	GFS 042 WTP		
Issuance Date	09 June 2026	Expiration Date	08 June 2027

Assessment Details	
Company Type	Plywood Mill, Exporter, Importer
Scope of Assessment	Sabah TLAS P5-6: JP(T)TW004/00(X02)R, JP(T)TW047/00(X22)R, FDS(TW)(E)121/2019(M), FDS(TW)(I)031/2019(M), FDS(TW)(S)032/2019(M), FDS(TW)(J)031/2019(M)
Product Group	Plywood
Source of Material	Sabah, Malaysia & New Zealand
Species	*Dipterocarp spp.* (Keruing), *Parashorea spp*. (White seraya), *Shorea spp.* (Red seraya, Yellow seraya, Melapi), *Heritiera simplicifolia* (Kembang semangkok), *Sapotaceae spp*. (Nyatoh), *Neolamarckia cadamba* (Laran), *Duabanga moluccana* (Magas), *Lauraceace* (Medang), *Planchonia valida* (Putat paya), *Dillenia spp*. (Simpoh), *Cotylelobium spp*. (Resak batu), *Campnosperma auriculatum* (Terantang), *Pinus radiata* (Pine)
Lead Assessor	Sheanna Kehong
Assessor(s)	UMS Internship: Rachal Jim, Stacy Robert
SFD Staff	-

Terms of Assessment

The scope of the evaluation is to verify compliance with Sherwood Timber Processing 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:

Sherwood Timber Processing Sdn. Bhd. (Sherwood Timber Processing) is, on and from 03/01/1989, incorporated under Companies Act 2016, and is registered in Tawau, Sabah, Malaysia, with registration 198901000016 (177322-D). Sherwood Timber Processing produces plywood and exports them to Japan, Taiwan and South Korea and also sells them to the local market.

Sherwood Timber Processing (Landlord/Owner) has a 3-year tenancy agreement effective 16/05/2025 with Megah Jadi (Tenant), subject to the term conditions and regulations. The Tenant is allowed to use part of their sawmill facilities to produce sawn timber and employ its own workers to operate the sawmill.

The previous assessment was conducted in June 2025 that resulted in 1 gap(s) and 1 observation(s) (Report #: GFSSBH 004-837).

Associated Organizations & Subcontractors:

Sherwood Timber Processing does not engage subcontractor to produce, manufacture products or provide manpower. Agensi Pekerjaan Arenamas, as an agent provides and manages documentation for foreign workers.

Description of the Supply Chain:

From May 2025 to May 2026, Sherwood Timber Processing purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Top Quantum Sdn. Bhd. (Kinsafajar Sdn. Bhd.)	SFMLA 01/2009	Round logs	Serudong	GFS 071 LVS (08/06/2026) FDS(SLS)015/2025 (08/09/2026)	Low
Pesona Majukaya Sdn. Bhd. (Tropical Origin Sdn. Bhd.)	SFMLA 01/2018	Round logs	Serudong	GFS 163 LVS (08/06/2026) FDS(SLS)017/2024 (08/06/2026)	Low
Billion Solaris Sdn. Bhd.	JP(T)TW001/2022(X59)	Veneer	Tawau	GFS 268 WTP (09/03/2027) FDS(SCS)004/2026 (09/03/2027)	Low
Juken New Zealand Ltd.	Not stated	Veneer	New Zealand	SCS-COC-009844 (05/09/2028)	Low
Kamidin Mangkulit & 57 Peserta	JPHTN(FIIB)TSR-2026/02	Round logs	Serudong	GFS 211 LVS (05/04/2027)	Low
Bountiful Returns Sdn. Bhd. (Sukses Jadi Sdn. Bhd.)	FDS(KA)(S)022/2024(M)	Veneer	Kalabakan	GFS 115 WTP (18/01/2027) FDS(SCS)138/2026 (18/01/2027)	Low

**GFS risk evaluation is based on the risk matrix and Sabah TLAS (VL) certified companies.*

Summary Results:

(Major gap = 0, Minor gap = 0, Observation = 4)

GAPs: Year 2026				
GAP #	**Type**	**Checklist**	**Status**	**Description**
001/2025	minor	5.3.6	Closed	**June 2025:** No work safety training was conducted for workers. **May 2026:** Training for work safety has been conducted for workers.

*Major = Non-Compliance

Observations: Year 2026		
Obs #	**Checklist**	**Description**
001-2025 Addressed	5.1.3, 5.2.8	**June 2025:** Inconsistent in recording volume for manual and online submission for Appendix 3 and volume of log supply and veneer supply. **May 2026:** The volume of Appendix 3 online submission and volume of log supply and veneer supply was recorded correctly and had submitted to the SFD.
001-2026	5.2.1, 5.2.3, 6.1.1, 6.1.2, 6.1.4	**May 2026:** Purchase Orders did not reference the Sabah TLAS status for materials being purchased.
002-2026	5.3.2	**May 2026:** JTK license is in the process of renewal.
003-2026	5.3.5	**May 2026:** Workers over 60 years old were not contributed under KWPS monthly contributions.
004-2026	6.1.3	**May 2026:** Purchase Order number was not recorded in the Arrival Book.

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

Recommendations

Sherwood Timber Processing 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:
Observation 001-2026 – Checklist 5.2.1, 5.2.3, 6.1.1, 6.1.2, 6.1.4: Purchase Orders should reference the status of materials being purchased.
Observation 002-2026 – Checklist 5.3.2: Sherwood Timber Processing shall ensure the JTK license renewed annually.
Observation 003-2026 – Checklist 5.3.5: Sherwood Timber Processing should consult with EPF regarding contribution for workers age 60 that has not exceeded 75 age based on the EPF statutory requirement.
Observation 004-2026 - Checklist 6.1.3: Sherwood Timber Processing should record Purchase Order number in the Arrival Book records.

The next surveillance visit is scheduled for May 2027.

End of Summary Report