

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Dreamtim Sdn. Bhd. 201001040568 (924493-K)	<b>Reference #</b>	GFSSBH 004-723
<b>Contact Person</b>	Nasyita Suhanna Husin (Shipping Representative)	<b>Audit Date</b>	19/09/2024
<b>Office Address</b>	TB 231, Lot 8, 4th Floor, Bangunan MAA Fajar, 91000 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Warehouse: KM10, Jalan Utara, Sungai Imam, Pasir Putih, Tawau, Sabah, Malaysia	<b>Telephone</b>	+6089 758 923
<b>Email</b>	dreamtim66@gmail.com dreamtimsb@yahoo.com DFO TWU:Nooridayu.MohdAyub@sabah.gov.my PPW TWU:MohdArapa.Lamuda@sabah.gov.my	<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 045 WTP		
Issuance Date	23 September 2024	Expiration Date	22 September 2025

### Assessment Details

Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(TW)(E)059/2019, SFD(BEP)001/20234
Product Group	Sawn timber, Moulding (S4S, Finger Joint), Veneer
Source of Material	Sabah, Malaysia.
Species	Shorea inappendiculata (Selangan batu), Parashorea spp. (White seraya), Shorea spp. (Red seraya, Yellow seraya), Shorea pauciflora (Oba suluk), OT (Other timber)
Lead Assessor	Brandon James
Assessor(s)	Anis Andrew
SFD Staff	-

### Terms of Assessment

The scope of the evaluation is to verify compliance with Dreamtim 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:**

Dreamtim Sdn. Bhd. (Dreamtim) is, on and from 06/12/2010, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Sabah, Malaysia, with registration #: 201001040568 (924493-K). Dreamtim purchases sawn timber, finger joint and veneer from the local mills and sells it to the local market. Dreamtim also exports them to Singapore, Japan, South Korea and China. Materials purchased by Dreamtim are directly shipped from the warehouse to buyers.

**Associated Organizations & Subcontractors:**

Dreamtim engaged Tawau Kilning & Moulding Sdn. Bhd. (located in Tawau) as a subcontractor to provide kiln-dry (KD) services. Sungai Silinponpon (Blockboard) Sdn. Bhd. and Pitas Timber Complex (located in Tawau) is providing a warehouse to store material purchased by Dreamtim. Dreamtim also engaged R.M Services Sdn. Bhd. (located in Kota Kinabalu) and Arus Borneo Sdn. Bhd. (located in Tawau) as its agent to handle the export documentation.

**Description of the Supply Chain:**

From May 2023 to August 2024, Dreamtim purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Majestic Goldtree Sdn. Bhd.	JP(T)SR004/18/(B01)	Sawn timber	Serudong	GFS 245 WTP (20/08/2025)	Low
Suria Dimaju Sdn. Bhd.	Not available	Sawn timber	Tawau	-	High
Tropical Wood Plantation Sdn. Bhd.	JP(D)PS001/19(B01)	Sawn timber	Pitas	GFS 135 WTP (05/11/2024)	Low
Midas Esteem Sdn. Bhd.	Not available	Sawn timber	Tawau	-	High
Sogoraya Sdn. Bhd.	JP(K)KK001/18(M01)	Sawn timber	Kota Kinabalu	GFS 104 WTP (14/05/2024)	Low**
Bountiful Returns Sdn. Bhd. (Sukses Jadi Sdn. Bhd.)	JP(T)KA001/14(X14)	Veneer	Kalabakan	GFS 115 WTP (26/11/2024)	Low
Hevajaya Sdn. Bhd.	JP(T)TW004/08(X04)	Finger joint	Tawau	GFS 131 WTP (03/12/2024)	Low
Megah Jadi Sdn. Bhd.	FDS(TW)(E)056/2019	Sawn timber	Tawau	GFS 209 WTP (26/05/2025)	Low
Tawau Kilning and Moulding Sdn. Bhd.	JP(T) TW 001/14 (X04)	Sawn timber, Finger joint	Tawau	GFS 036 WTP (21/05/2024)	Low**

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

\*\*Materials received before the expiry date are low risk.

**Summary Results:**

(Major gap = 0, Minor gap = 4, Observation = 1)

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.2.1, 6.1.1, 6.1.2, 6.1.3	New	<b>September 2024:</b> The current system for purchasing is not according to the CoC procedure.
002/2024	minor	5.2.2, 5.2.3, 5.2.4, 5.2.5	New	<b>September 2024:</b> No removal pass was provided for materials received at their warehouse.
003/2024	minor	5.2.12	New	<b>September 2024:</b> Lack identification of batch number and Sabah TLAS status for materials stored in warehouse as per the CoC procedure.
004/2024	minor	5.3.1 5.3.2	New	<b>September 2024:</b> No copies of employment agreement for workers kept in the office and workers were not registered under COI.

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	6.1.6	<b>September 2024:</b> Discrepancy in the volume of timber products between the removal pass and the packing list for sales consignments.

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

Recommendations
<p><b>Dreamtim Sdn. Bhd.</b> 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.</p> <p>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:</p> <p><b>Gap 001/2024 (minor) – Checklist 5.2.1, 6.1.1, 6.1.2, 6.1.3:</b> Dreamtim shall use purchase orders for the purchasing of materials as per the CoC procedure.</p> <p><b>Gap 002/2024 (minor) – Checklist 5.2.2, 5.2.3, 5.2.4, 5.2.5:</b> Dreamtim shall have an agreement with the Complex to store the materials and be able to retain, keep records of removal pass and identify the status for materials received at the warehouse.</p> <p><b>Gap 003/2024 (minor) – Checklist 5.2.5, 5.2.12:</b> Dreamtim shall identify batch number and Sabah TLAS status for materials stored in their warehouse as per the CoC procedure.</p> <p><b>Gap 004/2024 (minor) – Checklist 5.3.1, 5.3.2:</b> Dreamtim shall keep all employment agreement and workers must register under COI as appropriate.</p> <p><b>Observation 001-2024 – Checklist 6.1.6:</b> Dreamtim shall ensure the total volume of materials in the packing list for sales consignments matches with the removal pass.</p> <p>The next surveillance visit is scheduled for September 2025.</p>

**End of Summary Report**