

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Cargo Timber Sdn. Bhd. 198901008247 (185549-A)	Reference #	GFSSBH 004-778
Contact Person	Ms. Lean Janey Jisni (Management Representative)	Audit Date	07/02/2025
Office Address	Kg. Biah, Mile 7, Nabawan Road, Keningau, Sabah, Malaysia.	Date close out	-
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		Approved By	Dr. Kevin Grace

Statements			
Statement of Compliance	GFS 090 WTP		
Issuance Date	10 February 2025	Expiration Date	09 February 2026

Assessment Details	
Company Type	Sawmill, Exporter
Scope of Assessment	Sabah TLAS P5-6: JP(N)KG031/00(X04)R, FDS(KG)(E)037/2019(M), FDS(KG)(S)033/2019(M)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia
Species	Drybalanops spp. (Kapur), Dipterocarp spp. (Keruing), Shorea inappendiculata (Selangan batu), Koompassia malaccensis (Impas), Parashorea spp. (White seraya), Shorea spp. (Red seraya, Yellow seraya, Melapi), Heritiera simplicifolia (Kembang), Scaphium spp. (Kembang semangkuk), Sapotaceae spp. (Nyatoh), Shorea pauciflora (Oba suluk), Neolamarckia cadamba (Laran), Duabanga moluccana (Magas), Octomeles sumatrana (Binuang), Alstonia spp. (Pulai), Annonaceae spp. (Karai), Eugenia spp. (Obah), Sindora beccariana (Sepetir), Lauraceae (Medang), Planchonia valida (Putat), Terminalia subspathulata (Talisai), Lithocarpus & Quercus (Mempening), Myristicaceae (Darah-darah), Dillenia spp. (Simpor), Cotylelobium spp. (Resak batu), Cratoxylum arborescens (Serungan), Pentace spp. (Takalis), Koordersiodendron pinnatum (Ranggu), Hopea sangal (Gagil), Calophyllum obliquinervium (Bintangor), Macaranga spp. (Sedaman), Canarium, Dacryodes & other Burseraceae (Kedondong), Pterocymbium javanicum (Teletto), Parartocarpus or Artocarpus (Terap), Prerospermum (Bayor), Tristaniopsis merguensis (Pelawanpelawan), Dyera spp. (Jelutong), Dialium indum (KerANJI), Diospyros spp. (Kayu malam), Gluta / Semecarpus / Melanochyla & Swintonia (Rengas), Annonaceae (Pisang-pisang), Azadirachta excels (Bawang-bawang), Castanopsis motleyana (Berangan), Camptosperma auriculatum (Terentang), Durio spp. (Durian), Anisoptera spp. (Pengiran), Agathis borneensis (Mengilan), Endospermum diadenum (Sendok – Sendok), OT (Other timber)
Lead Assessor	Anne G. Grace
Assessor(s)	Merlyne Gerard, Keith Sintar
SFD Staff	Jaimie Gampawi (PPW KGU), Faizul Dinin (PPW KGU), Clarice V. Allium (ADFO KGU), Mazlan Azman (PPD KGU)

Terms of Assessment

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

Cargo Timber Sdn. Bhd. (Cargo Timber) is, on and from 15/08/2015, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Sabah, Malaysia, with registration #: 198901008247 (185549-A). Cargo Timber purchases round logs from Sabah to produce sawn timber. The company also purchased sawn timber from Sabah and exports them to Taiwan.

Associated Organizations & Subcontractors:

Cargo Timber does not engage subcontractor to produce, manufacture products or provide manpower.

Description of the Supply Chain:

From August 2023 to January 2025, Cargo Timber purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Pesona Majukaya Sdn. Bhd.	SFMLA 01/2018	Round logs	Serudong	GFS 163 LVS (18/08/2025)	Low
Bornion Timber Sdn. Bhd.	SFMLA 03/97	Round logs	Sook	GFS 054 LVS (27/10/2025)	Low
Rakyat Berjaya Sdn. Bhd. (Kinetic Journey Sdn. Bhd.)	SFMLA 09/97	Round logs	Tongod	GFS 130 LVS (03/09/2024)	Low*
First Greenworld Sdn. Bhd.	SFMLA02/2009	Round logs	Serudong	GFS 074 LVS (18/06/2025)	Low
Top Quantum Sdn. Bhd.	SFMLA01/2009	Round logs	Serudong	GFS 071 LVS (18/06/2025)	Low
Rakyat Berjaya Sdn. Bhd. (Hasrat Gagah Sdn. Bhd.)	SFMLA 09/97	Round logs	Sook	Non-Compliance	High
TSH Resources Berhad	SFMLA07/97	Round logs	Beluran	Non-Compliance	High
Jawala Plantation Industries Sdn. Bhd.	SFMLA02/15	Round logs	Tibow	GFS 100 LVS (07/01/2025)	Low
Collector As Trustee	JP(NNN)002/2021	Round logs	Sook	-	High
Unikarya Trading Sdn. Bhd.	JP(T)TW003/15(X04)	Sawn timber	Tawau	GFS 190 WTP (28/01/2025)	Low

*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products. Materials Received before the expiry date are considered low risk.

Summary Results:

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

GAPs: Year 2025				
GAP #	Type	Checklist	Status	Description
001/2025	minor	5.3.6	Closed	07 February 2025: No work safety training was conducted. 10 February 2025: Cargo timber conducted work safety training to workers.

*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
001-2025 Addressed	5.2.1, 6.1.1 6.1.2, 6.1.3 6.1.4	07 February 2025: Purchase contract was not available. 10 February 2025: Cargo Timber provided Purchase Contract for logs from the suppliers.
002-2025 Addressed	6.3.3	07 February 2025: No sales contract or Purchase Order from buyers for export consignments. 10 February 2025: Cargo Timber provided Purchase contracts for export consignments.

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

Recommendations
<p>Cargo Timber 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.</p> <p>The next surveillance visit is scheduled for February 2026.</p>

End of Summary Report
