

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Tenant: Sukses Jadi Sdn. Bhd. 201301030771 (1060600-M) Landlord: Bountiful Returns Sdn. Bhd. 199301030337 (285076-W)	<b>Reference #</b>	GFSSBH 004-909
<b>Contact Person</b>	Joseph Chan Teck Ming (Management Representative)	<b>Audit Date</b>	15/01/2026
<b>Office Address</b>	TB16480, Taman Megah Jaya, Megah 9/1, Batu 3 ½, P.O. Box 60402, 91000 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	CL 105381833, KM 60, Sg. Sibuku, Brantian, P.O. Box 60402, 91000 Tawau, Sabah, Malaysia.	<b>Telephone</b>	+6013 883 3668 +6089 751 019
<b>Email</b>	wind_ming83@yahoo.com DFO KLBN: AgkuEffendy.PgMahmud@sabah.gov.my PPW Tawau: MohdArapa.Lamuda@sabah.gov.my	<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 115 WTP		
Issuance Date	19 January 2026	Expiration Date	18 January 2027

### Assessment Details

Company Type	Sawmill, Veneer, Plywood, Moulding, Exporter
Scope of Assessment	Sabah TLAS P5-6: JP(T)KA001/2024(X17), FDS(KA)(S)022/2024(M), FDS(KA)(E)012/2020(MT), FDS(KA)(S)006/2020(MT), KON(TKA)002/2020(KK), FDS(KA)(J)002/2025(M)
Product Group	Veneer and Sawn timber
Source of Material	Sabah, Malaysia.
Species	<i>Drybalanops spp.</i> (Kapur), <i>Dipterocarp spp.</i> (Keruing), <i>Shorea domatiosa</i> (Selangan Batu), <i>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya, Melapi), <i>Heritiera simplicifolia</i> (Kembang), <i>Scaphium spp.</i> (Kembang semangkuk), (Nyatoh), <i>Shorea pauciflora</i> (Oba suluk), <i>Neolamarckia cadamba</i> (Laran), <i>Macaranga spp.</i> (Sedaman), <i>Duabanga moluccana</i> (Magas), <i>Octomeles sumatrana</i> (Binuang), <i>Eugenia spp.</i> (Obah), <i>Sindora beccariana</i> (Sepetir), <i>Lauraceae</i> (Medang), <i>Cratoxylum arborescens</i> (Serungan), <i>Pentace spp.</i> (Takalis), <i>Hopea sangal</i> (Gagil), OT (Other timber)
Lead Assessor	Sheanna Kehong, (Acting Lead Auditor) Ng Cai Ling
Assessor(s)	Celine Cheong
SFD Staff	Saharuddin Jumil (PPD Kalabakan), Jason Nicholas (PPD Kalabakan)

### Terms of Assessment

The scope of the evaluation is to verify compliance with Bountiful Returns Sdn. Bhd. (Sukses Jadi 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:**

Bountiful Returns Sdn. Bhd. (Bountiful Returns) is, on and from 24/12/1993, incorporated under Companies Act 2016, and is registered in Tawau, Sabah, Malaysia, with registration #: 199301030337 (285076-W). Bountiful Returns has no operation and only leased the premise to the Tenant.

Sukses Jadi Sdn. Bhd. (Sukses Jadi) was incorporated on 03/09/2013 under Companies Act 2016, and is registered in Tawau, Sabah, Malaysia, with registration #: 201301030771 (1060600-M). Sukses Jadi produces veneer and sawn timber for the local market and exports them to Taiwan, The Philippines, South Korea, India, Peninsular Malaysia and Sarawak.

A Tenancy Agreement was made on 18/09/2025 between Bountiful Returns (the Landlord) and Sukses Jadi (the Tenant) that the Landlord has leased the said premises to the Tenant for a period of 2 years.

**Associated Organizations & Subcontractors:**

Sukses Jadi does not engage subcontractor to produce, manufacture products or provide manpower. Agensi Pekerjaan Arenamas Sdn. Bhd. is handling JTK license renewal and work permit for foreign workers.

**Description of the Supply Chain:**

From December 2024 to December 2025, Sukses Jadi purchased raw materials (from the middlemen) as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Ampalus Bin Andihang	JPHTN(FIIB)NNN-2024/07	Round logs	Nabawan	-	High
Sapulut Forest Development (Tropical Origin Sdn. Bhd.)	SFMLA 04/97	Round logs	Tibow	GFS 025 LVS (13/07/2026)	Low
Pesona Majukaya Sdn. Bhd. (Kinsafajar Sdn. Bhd.)	SFMLA 01/2018	Round logs	Serudong	GFS 163 LVS (08/06/2026)	Low
Rakyat Berjaya Sdn. Bhd. (Terus Jadi Sdn. Bhd./Damai Wijaya Sdn. Bhd.) FMU 20	SFMLA 09/97	Round logs	Kinabatangan	GFS 178 LVS (17/08/2026)	Low
Rakyat Berjaya Sdn. Bhd. (Kinsasynergy Sdn. Bhd.)	SFMLA 09/07 KGU 07/24	Round logs	Sook	GFS 101 LVS (21/12/2026)	Low
Rakyat Berjaya Sdn. Bhd. (Aturmaju/Pelana Bumi/Prescott Hamilton Environmental)	SFMLA09/97	Round logs	Serudong	GFS 203 LVS (13/07/2026)	Low
Sabah Energy Corporation Sdn. Bhd.	JP(KSG)013/2023(FI)	Round logs	Sipitang	-	High
Benta Wawasan Sdn. Bhd. – A & B	JP(TKA)122/96(CO)	Round logs	Kalabakan	GFS 057 LVS (25/05/2026)	Low
Benta Wawasan Sdn. Bhd. (Serijaya Industri Sdn. Bhd.)	JP(TKA)122/96(CO)	Round logs	Kalabakan	GFS 059 LVS (23/03/2026)	Low
Top Quantum Sdn. Bhd.	SFMLA 01/2009	Round logs	Serudong	GFS 071 LVS (08/06/2026)	Low
First Greenworld Sdn. Bhd. (Kinsafajar Sdn. Bhd.)	SFMLA 02/2009	Round logs	Serudong	GFS 074 LVS (08/06/2026)	Low
Majestic Goldtree Sdn. Bhd.	JP(T)SR004/18(B01)	Firewood	Tawau	GFS 245 WTP (08/06/2026)	Low

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

**Summary Results:**

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

<b>GAPs: Year 2026</b>				
<b>GAP #</b>	<b>Type</b>	<b>Checklist</b>	<b>Status</b>	<b>Description</b>
001/2025	minor	5.2.1, 5.2.3, 6.1.1, 6.1.2, 6.1.3, 6.1.4	Outstanding	<p><b>January 2025:</b> Inconsistent in maintaining sales and purchase agreements.</p> <p><b>January 2026:</b> Inconsistent in using Sales Contract and Sales Contract did not reference Sabah TLAS status for materials being purchased.</p>
002/2025	minor	5.3.1, 5.3.2	Closed	<p><b>January 2025:</b> Two workers under Bountiful Returns have expired work permits and one worker was not registered under COI as stipulated in the license conditions.</p> <p><b>January 2026:</b> Workers under Bountiful Returns have a valid work permit.</p>
001/2026	minor	5.3.6	Closed	<p><b>15 January 2026:</b> No training on work safety training was conduct for workers.</p> <p><b>16 January 2026:</b> Training on work safety was conducted for workers.</p>
002/2026	minor	6.4.3	New	<p><b>January 2026:</b> Inconsistent in identifying Sabah TLAS claims in the invoice and Packing List.</p>

\*Major = Non-Compliance

<b>Observations: Year 2026</b>		
<b>Obs #</b>	<b>Checklist</b>	<b>Description</b>
002-2025 Outstanding	5.1.3	<p><b>January 2025:</b> The sawn timber carry-forward and output volume in the online submission differs from the manual submission. Inconsistent in recording of log supply in Appendix 1 manual, bought logs in Appendix 3 and the log carry forward stock in Appendix 3 manual.</p> <p><b>January 2026:</b> Appendix in 2024 was not revised. Inconsistent in recording log stock CF, log input for Appendix 1 &amp; Appendix 3 manual and discrepancy in volume between arrival book, Appendix 1 &amp; 3 log supply and Removal Pass.</p>
001-2026	2.4.1, 2.4.2	<p><b>January 2026:</b> Employment agreements for workers did not stipulate SOCSO &amp; EPF requirements.</p>
002-2026	6.1.3	<p><b>January 2026:</b> Sales &amp; Purchase Agreement was not recorded in the Arrival Book.</p>

<b>Highlights of Close-Out Visit (if applicable)</b>	<b>Date: -</b>
Not applicable	

**Recommendations**

**Bountiful Returns Sdn. Bhd. (Sukses Jadi Sdn. Bhd.)** has demonstrated compliance with the Sabah Principles 5-6 for Chain of Custody and is recommended to receive a GFS Statement of Compliance or 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) Outstanding – Checklist 5.2.1, 5.2.3, 6.1.1, 6.1.2, 6.1.3, 6.1.4:** Sukses Jadi should use Sales agreement as per the CoC procedure and logs status should be indicated in the sales agreement.

**Observation 002-2025 Outstanding – Checklist 5.1.3:** Sukses Jadi shall record log stock CF, log input for Appendix 1 & 3 correctly, record log supply based on Removal Pass and should seek guidance from the SFD HQ or SFD website on Appendix.

**Gap 002/2026 (minor) – Checklist 6.4.3:** Sukses Jadi should identify Sabah TLAS claims in Invoice and Packing List as per the CoC procedure.

**Observation 001-2026 – Checklist 2.4.1, 2.4.2:** Employment agreements should include Public Holidays and EPF/SOCSO contributions as stipulated in the Sabah Labor Ordinance.

**Observation 002-2026 – Checklist 6.1.3:** Sales & Purchase Agreement should be recorded in the Arrival Book.

The next surveillance visit is scheduled for January 2027.

**End of Summary Report**