

Sabah TLAS + Audit Report

Sabah Legality Standard Principles 1 – 4 & 7

Licensee	Licensee: Collector As Trustee Contractor: Brilliant Junction Sdn. Bhd. 201601041838 (1212780-M) / Malajasa Sdn. Bhd. 200501031753 (713891-W)	Reference #	GFSSBH003-417
Contact Person	Mr. Lee Kiang Seng (Managing Director) Ms. Cherry (Clerk)	Date of Report Date of close out	07/08/2026 -
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		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 212 LVS		
Issuance Date	10 August 2026	Expiration Date	09 August 2027

Assessment Details

Assessment Dates	03-07 August 2026
Scope of Assessment	Sabah TLAS+ P1-4: Form 1 – JP(NN)003/2025(F1)
Species	<i>Richetia</i> sp. (Yellow seraya), <i>Anthoshorea</i> sp. (White seraya), <i>Rubroshorea</i> sp. (Red seraya), <i>Duabanga moluccana</i> (Magas), <i>Dryobalanops</i> (Kapur), <i>Neolamarckia cadamba</i> (Laran), <i>Hopea sangal</i> (Gagil), <i>Dipterocarpus</i> (Keruing), <i>Lauraceae</i> (Medang), <i>Dillenia</i> (Simpoh), <i>Palaquium</i> sp. (Nyatoh), <i>Heritiera simplicifolia</i> (Kembang), <i>Anthoshorea</i> sp. (Melapi), <i>Sindora beccariana</i> (Sepetir), <i>Annonaceae</i> (Kara), <i>Nauclea orientalis</i> (Bangkal), <i>Vatica</i> sp. (Resak), <i>Dyera</i> sp. (Jelutong), <i>Cratoxylum arborescens</i> (Serungan), <i>Scaphium affine</i> (Kembang Semangkuk), <i>Pterocymbium javanicum</i> (Teluto), <i>Lithocarpus</i> spp. (Mempening), <i>Dialium indum</i> (KerANJI), <i>Syzygium</i> sp. (Obah), <i>Koompassia malaccensis</i> (Impas), <i>Koompassia excelsa</i> (Becc.) (Mengaris), <i>Shorea inappendiculate</i> (Selangan batu), <i>Alstonia</i> sp. (Pulai), <i>Myristicaceae</i> spp. (Darah-darah), <i>Nauclea orientalis</i> (Bangkal), <i>Anacardiaceae/Mangifera</i> (Assam), <i>Maasi</i> asp. (Mempisang), <i>Terminalia</i> sp. (Talisai), <i>Heritiera simplicifolia</i> (Kembang), <i>Calophyllum obliquinervium</i> (Bintangor), <i>Diospyros</i> (Kayu Malam), <i>Dillenia</i> (Simpoh), <i>Anisoptera</i> sp. (Pengiran), <i>Pentace</i> sp. (Takalis).
Lead Assessor	Soliano Andrew, (Acting Lead Auditor) Ennald Chin
Assessor(s)	Ng Cai Ling
SFD Staff	ADFO Nabawan: Vitalis Isidore, PPD Nabawan: Vicen Kundasing, Mohd Putera Bin Mohd Amin

Objectives

- The objective of this checklist is to verify compliance with the Criteria listed in the Sabah Legality Standard as defined by Principles 1 - 4 including Principle 7 for Deforestation Free (DF) where applicable and Optional Principle 8 for CS3D dated 1 July 2026.
- Compliance is defined when all applicable criteria are observed to be compliant. A Minor Gap to any indicator does not constitute non-compliance to a criterion. A Major Gap to any applicable indicator reflects non-compliance to the criterion which shall be addressed within 2 months.
- All issues identified under this standard shall be considered appropriate to the scale and degree of forestry operations undertaken by the parties under the license agreement.

Scope of Assessment

- The scope of the evaluation is to verify compliance of Collector As Trustee with the Form 1 Permit #: JP(NNN)003/2025(F1) for Communal Grant FR 154000683.
- The assessment is in accordance with the terms of the agreement for the “Sabah Legality Standard Principles 1 - 4 & 7 dated 1 July 2026.
- Principle 7 Deforestation Free: ☐ Applicable ☒ Not Applicable
- Principle 8: CS3D: ☐ Included ☒ Not Included
- Site evaluation to verify and report the level of compliance by Collector As Trustee and contractors to the standard in respect to each of the criteria within this report.

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.

Summary Information

Overview of Licensee:

Based on the Schedule XI, Section 68, Title #: 154000683, dated 05/04/2018, owner by Collector As Trustee, with an area of 3,530 Ha, commencement date 01/01/2018, stated as the following:

The said land is demised as a Communal Title for the purpose of cultivation or agricultural crops of economic value. The said land shall be cultivated, developed and maintained in accordance with good husbandry practise as stated hereunder throughout the whole period of tenure of the said land. Only plants and trees approved by the Director of Agriculture, shall be planted or cultivated on the said land.

Based on the EIA, The State Government of Sabah through Lands and Surveys Department has appointed Brilliant Junction Sdn. Bhd. (Brilliant Junction) to carry out logging and land clearing operations of 3,530 Ha within Communal Grant FR 154000683 in Tatalaan II, Nabawan letter. Ref. #: L.S 1508.1.58/83 dated 22/01/2019. There are 475 local beneficiaries address at Kg. Nangkawangan under the said Communal Grant. The agreement between Brilliant Junction and the 475 Communal Grant Beneficiaries has been signed on 14/01/2019. Beneficiaries of the Communal Grant are from Kg. Talalaan Ulu, Kg. Nangkawangan, Kg. Tatapu Ponontomon, Kg. Binanun, Kg. Pohon Batu Baru, Kg. Sumbiling, Kg. Pengaraan, kg. Pohon Batu Lama, Kg. Katalirus and Kg. Layon.

Contractor	Validity	Remarks
Collector As Trustee and Brilliant Junction Sdn. Bhd.	Signed on 14/01/2019	To carry out logging and land clearing operations of 3,530 Ha within Communal Grant FR 154000683 in Tatalaan II, Nabawan.
First Party: Brilliant Junction Sdn. Bhd.	Dated 28/10/2025	The First Party, shall permit the Second Party to appoint representatives and/or agents to sub-contract all activities relating to acts of cutting, collecting, converting, felling or removing any forest produce.
Second Party: Tatalaan Plantation Sdn. Bhd.	Dated 28/10/2025	The Second Party is desirous of purchasing the timber from the said land. The Second Party, as the legally appointed Contractor-in-Situ shall carry out all harvesting and extracting of forest produce until completion of all harvestable forest produce.
Second Party: Malajasa Sdn. Bhd. (Malajasa)	Dated 01/04/2026	To fell and extract all merchantable timber from the said area. Responsible for systematic logging and ensure that each block within the coupe is properly managed before moving to the next block.

For the purpose of logging and land clearing operations, the 3,530 Ha land has been divided into 8 lots. The logging and land clearing operations will be carried out in stages beginning from Lot 1 to Lot 8. After logging operation is completed, Brilliant Junction has to conduct subdivision survey of the Communal Grant for issuance of land title to all beneficiaries of the Communal Grant.

Based on the EIA, Table 5: Lot area of Communal Grant FR 154000683

Lot #	Area (Acres)	Lot #	Area (Acres)	Lot #	Area (Acres)	Lot #	Area (Acres)
1	1,199.46	3	1,199.95	5	1,200.51	7	1,000.03
2	1,200.33	4	1,200.22	6	800.23	8	785.32

Based on the EIA, EIA approval was expected in Jun 2019. Site preparation and infrastructure establishment was planned in Jul 2019. However, there are no infrastructure in the licensed area. Logging and land clearing operation and maintenance planned in Aug 2019 and Oct 2019 respectively.

Based on the SFD letter, Ref. #: JPHTN/NNN700-2/4/969(10) dated 07/01/2019, SFD granted approval for Brilliant Junction as the party responsible for clearing and removing wood debris from the land area of 3,530 Ha (2 Blocks: Lots 1 & 2). The issuance of Form IIB license is under Brilliant Junction. The approval is for lump-sum withdrawal not exceeded 50 M³/Ha (> 20cm dbh). The approval was valid for 2 months only from the date 27/12/2018.

According to Brilliant Junction, the renewing of Form IIB permits is not practical; therefore, the company applied for a Form 1 permit.

The Natural Resources Office in its letter, Ref. #: PHB.700-2/503 JLD.2(8) dated 30/10/2025) approved the Form 1 license for the Chief Conservator of Forest.

The SFD in its letter, Ref. #: JPHTN/NNN700-2/3/125/JILID.4(9) dated 09/12/2025, approved the following license.

Owner	Validity	Form 1 Permit #	Area (Ha)	Land Status
Collector As Trustee	3 years	JP(NNN)003/2025(F1)	3,530	Alienated (FR. 154000683)

The SFD in its letter, Ref. #: JPHTN/NNN700-2/3/125/JILID.4(20) dated 22/05/2026, revised the amendment to license reflecting that all logs from the licensed area will pay Forest Conservation Fund based on the SFD Circular FD:28/2015.

Land use classification:

Based on the EIA Figure 3.5: land Use Map

Land classification	EIA Area (ha)	Current Status (ha)
Total Licensed Area	3,530.00	3,530.00
Form 1	3,530.00	Area Harvested: 882 ha (Approx. 25% completed) Quantity: 5,752 logs Volume: 8,589.26 m ³
Protection Forest Reserve (Class II): Steep area (> 25°)	555	555

Note: Steep slope derived from the EIA, Pg. 1-12, Clause a (iv).

Current Operations:

The operation started in Apr 2026. Activities are still on-going for the Form 1 license. As of the Jul 2026 assessment, an area of 882 Ha, with a total of 5,752 logs (8,589.26 M³) were completed.

List of Form 1 license under harvesting.

Permit #	NFM / ITP	Status	Area (ha)	Geo-location data *
JP(NNN)003/2025(F1)	Form 1	Sabah TLAS	3,530	NE: N 4°49'42.774" E 116°19'36.323" NW: N 4°49'33.676" E 116°16'27.250" SE: N 4°47'28.985" E 116°21'1.010" SW: N 4°46'11.693" E 116°16'28.649"

*Geo-location was derived from the EIA.

Environmental context:

Forest type:

Logged over dipterocarp forest, dominated by non-dipterocarps. Trees above 30 cm DBH growth size has been identified and recorded within the project site. The common tree found within the project area are Macaranga, Seraya, Mempening, Binuang, Keruning, Sedaman jari, Darah-darah, Melapi and Laran.

Commercial species currently existing:

Richetia sp. (Yellow seraya), *Anthoshorea* sp. (White seraya), *Rubroshorea* sp. (Red seraya), *Duabanga moluccana* (Magas), *Dryobalanops* (Kapur), *Neolamarckia cadamba* (Laran), *Hopea sangal* (Gagil), *Dipterocarpus* (Keruing), *Lauraceae* (Medang), *Dillenia* (Simpoh), *Palaquium* sp. (Nyatoh), *Heritiera simplicifolia* (Kembang), *Anthoshorea* sp. (Melapi), *Sindora beccariana* (Sepetir), *Annonaceae* (Karai), *Nauclea orientalis* (Bangkal), *Vatica* sp. (Resak), *Dyera* sp. (Jelutong), *Cratoxylum arborescens* (Serungan), *Scaphium affine* (Kembang Semangkuk), *Pterocymbium javanicum* (Teluto), *Lithocarpus* spp. (Mempening), *Dialium indum* (KerANJI), *Syzygium* sp. (Obah), *Koompassia malaccensis* (Impas), *Koompassia excelsa* (Becc.) (Mengar), *Shorea inappendiculate* (Selangan batu), *Alstonia* sp. (Pulai), *Myristicaceae* spp. (Darah-darah), *Nauclea orientalis* (Bangkal), *Anacardiaceae/Mangifera* (Assam), *Maasi* asp. (Mempising), *Terminalia* sp. (Talisai), *Heritiera simplicifolia* (Kembang), *Calophyllum obliquinervium* (Bintangor), *Diospyros* (Kayu Malam), *Dillenia* (Simpoh), *Anisoptera* sp. (Pengiran), *Pentace* sp. (Takalis).

Specific biological values (e.g., rare or endangered species):

There is no protected and endangered species found within the project site. The fauna species within the project area is identified through animal footprints, dung, claw marks and sound. The animal life identified is wild boar, payau and Macaca monkey.

Environmental services (e.g., critical watersheds, wildlife habitat, peat swamp, etc.):

Main rivers flow within the project area are Sg. Talankai, Sg. Tingkalis and Sg. Saliuh. The other affected tributaries flow within the project area are tributary of Sg. Rumidi, tributary of Sg. Talankai, tributary of Sg. Tingkalis and tributary of Sg. Pangaraan.

EIA Report #:

EIA	Ref. #	Consultant
Proposed Logging and Land Clearing Operations of 3,530 Hectares Within Communal Grant FR 154000683 Tatalaan II, Nabawan, Sabah.	JPAS/PP/NBN/600-1/01/1/316(32)	Ekohandal Sdn. Bhd.

Social Context:

Social assessment SBS / SIA / EIA summary:

Based on the EIA, it was confirmed that there are no village and local settlement located within the project area as well as outside 3 KM radius from the project area. This is due to project area was previously Pensiangan Forest Reserve that prohibiting any settlement to be constructed in that gazetted area.

Identified communities that are dependent on the FMU:

None

Land claims, disputes & communication system:

None

Community Forestry Projects:

None

Itinerary & Mandays: Form 1: Collector As Trustee (Brilliant Junction Sdn. Bhd.) / Nabawan District

Date	Activity	GFS Staff	Mandays
03 August 2026 Monday	Travel to Nabawan. Opening meeting at PPD Nabawan. Document review. Overnight in Keningau.	Soliano Andrew, Ennald Chin, Ng Cai Ling	3
04 August 2026 Tuesday	Field assessment to operation areas, harvesting, licensed boundary, protected area (steep area), workers camp, workshop, logyard. Overnight in Keningau.	Soliano Andrew, Ennald Chin, Ng Cai Ling	3
05 August 2026 Wednesday	Social assessment with representative from Kg. Layon. Document review, overnight in Keningau.	Soliano Andrew, Ennald Chin, Ng Cai Ling	3
06 August 2026 Thursday	Closing meeting at Sento meeting hall. Travel back to home base.	Soliano Andrew, Ennald Chin, Ng Cai Ling	3
07 August 2026 Friday	Finalizing report.	Soliano Andrew, Ennald Chin, Ng Cai Ling	3
08-09 August 2026	Reporting/Administration: GFSSBH003-417	Dr. Kevin Grace Soliano Andrew	2
Total			17

Highlights of Assessment

(Major Gaps = 0; Minor Gaps = 1; Observations = 6)

Collector As Trustee (Brilliant Junction Sdn. Bhd.) has complied with the Sabah TLAS+ requirements (FDS TLAS-006) as no non-compliance was identified during the assessment on 03-07 August 2026.

Summary of status of operations by **Principle**:

Principle 1. Right to Harvest

Sabah Forestry Department had approved a Form 1 permit to Collector As Trustee (Brilliant Junction Sdn. Bhd.) to take, within the specified area and subject to the conditions specified hereafter and annexed hereto and the provisions of the Forest Enactment 1968 and Forest Rules 1969, the following forest produce round logs only.

August 2026: Gap 001/2026 (minor) – Checklist 1.2.4

Diesel depot was not sheltered at the base camp area.

August 2026: Observation 001-2026 – Checklist 1.2.5

The Q2 ECR was not submitted to the EPD.

Principle 2. Forest Operations

Brilliant Junction demonstrated compliance with Salvage logging and demarcation of boundaries for protection areas. Malajasa demonstrated compliance with regulatory requirements for workers.

August 2026: Observation 002-2026 – Checklist 2.2.3

The QR code for Geo-location was not included in the e-Removal Pass.

August 2026: Observation 001-2026 – Checklist 2.3.4

The Q2 ECR was not submitted to the EPD.

August 2026: Observation 003-2026 – Checklist 2.4.5

Work safety training does not include tree cutting techniques or handling of heavy machinery.

August 2026: Observation 004-2026 – Checklist 2.4.8

Malajasa has yet to register with DOSH.

August 2026: Observation 005-2026 – Checklist 2.4.9

Highlights of Assessment
Occupational Safety and Health Coordinator has yet to be appointed.
Principle 3. Statutory Charges All associated fees have been paid by Brilliant Junction. Records of royalty payment are maintained.
Principle 4. Other User Rights Based on EIA, it is confirmed that there are no village and local settlement located within the project area as well as outside 3 KM radius from the projected area. This is due to project area was previously Pensiangan Forest Reserve that prohibiting any settlement to be constructed in that gazetted area.
August 2026: Observation 006-2026 – Checklist 4.1.6 Inconsistent in maintaining records of communication including road maintenance.
Principle 7. Deforestation Free Not applicable
Principle 8. In Accordance with the EU Corporate Sustainability Due Diligence Directive (CS3D) (Optional) Not applicable

Summary Results:

(Major gap = 0, Minor gap = 1, Observation = 6)

Gap raised against indicators & criteria during the August 2026 assessment.

GAP	Type	Checklist	Status	Description
001/2026	minor	1.2.4	New	August 2026: Diesel depot was not sheltered at the base camp area.

Observation raised against indicators & criteria during the August 2026 assessment.

Obs #	Checklist	Description
001-2026	1.2.5, 2.3.4	August 2026: The Q2 ECR was not submitted to the EPD.
002-2026	2.2.3	August 2026: The QR code for Geo-location was not included in the e-Removal Pass.
003-2026	2.4.5	August 2026: Work safety training does not include tree cutting techniques or handling of heavy machinery.
004-2026	2.4.8	August 2026: Malajasa has yet to register with DOSH.
005-2026	2.4.9	August 2026: Occupational Safety and Health Coordinator has yet to be appointed.
006-2026	4.1.6	August 2026: Inconsistent in maintaining records of communications including road maintenance.

Highlights of Close Out Visit (if applicable)	Dates	-
Not applicable		

Recommendations

Collector As Trustee (Brilliant Junction Sdn. Bhd.) has demonstrated compliance with the Sabah TLAS+ Principle 1-4 & 7 requirements (FDS TLAS-006) for its designated area and is recommended to receive a GFS Statement of Compliance and Sabah Timber Legality Assurance System+ Compliance Certificate (Sabah 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 001/2026 (minor) – Checklist 1.2.4: Diesel depot should be sheltered at the base camp area.

Observation 001-2026 - Checklist 1.2.5, 2.3.4: Brilliant Junction should ensure the ECR consultant submits the Q2 ECR report to the EPD.

Observation 002-2026 - Checklist 2.2.3: The SFD should be consistent in including QR code for Geo-location in the e-Removal Pass.

Observation 003-2026 - Checklist 2.4.5: Work safety training should include all work training based on job function.

Observation 004-2026 - Checklist 2.4.8: Malajasa should consult with DOSH regarding the registration requirements.

Observation 005-2026 Checklist 2.4.9: Malajasa should appoint an Occupational Safety and Health Coordinator (OSH-C) as per DOSH requirements.

Observation 006-2026 – Checklist 4.1.6: Malajasa should maintain records of communication and road maintenance.

The next annual surveillance audit will be scheduled for **August 2027**.

End of Summary Report