

Sabah TLAS Audit Report Principles 5 & 6

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|-----------------------|---|-----------------------|-----------------|
| Organisation | Kasah Enterprise Sdn. Bhd. 198201002230 (81975-W) | Reference # | GFSSBH 004-809 |
| Contact Person | Ms. Marhuma Binti Jamali (Account clerk) | Audit Date | 25/03/2025 |
| Office Address | TB 10393 New Hua Dat Light Industri, Jalan Apas, 91000 Tawau, Sabah, Malaysia. | Date close out | - |
| Mill Address | Batu 15, Sungai Buruh, Jalan Merotai, Tawau, Sabah, Malaysia. | Telephone | +6012 824 2784 |
| Email | kasahenterprise@yahoo.com DFO TWU: Nooridayu.MohdAyub@sabah.gov.my PPW TWU: MohdArapa.Lamuda@sabah.gov.my | Fax | - |
| | | Approved By | Dr. Kevin Grace |

Statements

| | | | |
|-------------------------|---------------|-----------------|---------------|
| Statement of Compliance | GFS 155 WTP | | |
| Issuance Date | 31 March 2025 | Expiration Date | 30 March 2026 |

Assessment Details

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|---------------------|--|
| Company Type | Sawmill, Moulding, Kiln Dried Plant, Furniture |
| Scope of Assessment | Sabah TLAS P5-6: JP(T)TW001/2021(X49), JP(T)TW002/15(X22), FDS(TW)(S)009/2024(M) |
| Product Group | Furniture |
| Source of Material | Sabah, Malaysia |
| Species | Eucalyptus pellita (Eucalyptus) |
| Lead Assessor | Anne G. Grace |
| Assessor(s) | Sheanna Kehong, Auther Itin, Jick Miki |
| SFD Staff | Ag. Matnoor Ag. Jamil (PPD TWU) |

Terms of Assessment

The scope of the evaluation is to verify compliance with Kasah Enterprise 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:

Kasah Enterprise Sdn. Bhd. (Kasah Enterprise) is, on and from 04/03/1982, incorporated under Companies Act 2016, and is registered in Tawau, Malaysia, with registration #: 198201002230 (81975-W).

Kasah Enterprise purchases round logs from Sabah Softwood Berhad and plywood from local suppliers. Kasah Enterprise provided chairs and tables to the local school based on order through a Government tender.

Associated Organizations & Subcontractors:

Kasah Enterprise does not engage subcontractor to produce, manufacture products or provide manpower.

Description of the Supply Chain:

From December 2023 to February 2025, Kasah Enterprise purchased raw materials from the suppliers as below:

| Supplier | License | Raw Material | Location | GFS WTP # STCC # | Overall Risk * |
|----------------------------------|--------------------|----------------|---------------|---|----------------|
| Sabah Softwoods Berhad | CL No. 105467687 | Plantation log | Brumas | GFS 149 LVS (10/11/2025) SCS-FM/COC-0010P (30/11/2027) | Low |
| Teck Guan Trading Sdn. Bhd. | 042395-T | Plywood | Tawau | - | High |
| Shir Lee Trading Sdn. Bhd. | 605111-W | Plywood | Tawau | - | High |
| Chew Seng Trading Sdn. Bhd. | 1010062-U | Plywood | Tawau | - | High |
| See Tat Sdn. Bhd. | 172390-W | Plywood | Kota Kinabalu | - | High |
| Lee Tat Lee Enterprise Sdn. Bhd. | FDS(KK)(S)025/2022 | Plywood | Kota Kinabalu | GFS 290 WTP (31/03/2025) | Low |

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

Summary Results:

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

| GAPs: Year 2025 | | | | |
|-----------------|-------|-----------|--------|---|
| GAP # | Type | Checklist | Status | Description |
| 001/2025 | minor | 5.2.4 | Closed | 25 March 2025: Removal passes were not stamped as "Used" from Kasah Enterprise to the buyer. 26 March 2025: Removal passes were stamped as "Used." |

*Major = Non-Compliance

| Observations: Year 2025 | | |
|-------------------------|---------------------|--|
| Obs # | Checklist | Description |
| 001-2025 | 5.1.3 | March 2025: Inconsistent in recording Appendix 1 volume for Feb & Apr 2024 and log C/F. |
| 002-2025 Addressed | 5.2.1, 6.1.1, 6.1.2 | 25 March 2025: Inconsistent in maintaining the Order Form as per CoC procedure. 26 March 2025: Kasah Enterprise provided the Order Form as per CoC procedure. |

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

Recommendations

Kasah Enterprise 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 001-2025 – Checklist 5.1.3: Kasah Enterprise should ensure that Appendix 1 volume for Feb & Apr 2024 and Log C/F are recorded correctly.

The next surveillance visit is scheduled for March 2026.

End of Summary Report