

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Majestic Goldtree Sdn. Bhd. 201601010333 (1181263-K)	<b>Reference #</b>	GFSSBH 004-713
<b>Contact Person</b>	Mr. Awang Zaidun Awang Taip (Forest & Shipping Manager)	<b>Audit Date</b>	13/08/2024
<b>Office Address</b>	<b>Majestic Goldtree Sdn. Bhd.:</b> TB 14483, 1 <sup>st</sup> Floor, Dataran Saujana, Batu 3.5, Jalan Hot Spring, 91000 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Compartment B1, First Greenworld Sdn. Bhd., Hutan Simpan Sapulut Kelas II, Sabah, Malaysia.	<b>Telephone</b>	+6089 202 666
<b>Email</b>	awang@rakanrimba.com DFO Serudong: AgkuEffendy.PgMahmud@sabah.gov.my PPW Tawau: MohdArapa.Lamuda@sabah.gov.my	<b>Fax</b>	+6089 203 666
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 245 WTP		
Issuance Date	21 August 2024	Expiration Date	20 August 2025

### Assessment Details

Company Type	Sawmill, exporter
Scope of Assessment	Sabah TLAS P5-6: JP(T)SR004/18/(B01), FDS(SR)(E)004/2021(M), FDS(SR)(S)006/2021(M)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	<i>Shorea spp.</i> (Red seraya, Yellow seraya), <i>Shorea inappendiculata</i> (Selangan batu), <i>Dialium indum</i> (KerANJI), <i>Parashorea spp.</i> (White Seraya), <i>Shorea pauciflora</i> (Obah suluk), <i>Koompassia malaccensis</i> (Impas), <i>Hopea sangal</i> (Gagil), <i>Sapotaceae spp.</i> (Nyatoh), OT (Other timber)
Lead Assessor	Brandon James
Assessor(s)	Glory Linggou, Anis Andrew
SFD Staff	Jory Julhani (ADFO Serudong), Johnny Laminggu (ADFO Serudong), Kelisno Ransin (PPD Serudong), David Totu @ Sikodil (PPD Serudong)

### Terms of Assessment

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

Majestic Goldtree Sdn. Bhd. (Majestic Goldtree) is, on from 28/03/2016, incorporated under Companies Act 2016 is registered in Kuala Lumpur, Malaysia, with registration #: 201601010333 (1181263-K). Majestic Goldtree produces sawn timber for the local market. Majestic Goldtree has an export license; however, the company has not exported sawn timber since July 2023.

Majestic Goldtree (the Company) has a Management Agreement with Rakan Rimba Sdn. Bhd. (the Provider) made on 15/11/2022 for the period of 5 years and will end on 31/12/2027 with the option to renew for 2 years. The Provider is providing the necessary management service on the Financial and Administrative by providing manpower and responsible for the EPF, SOCSO and workers' salary. The Provider has its own office to accommodate its own workers in performing the work for the Company.

**Associated Organizations & Subcontractors:**

Majestic Goldtree has not engaged any sub-contractor to produce sawn timber.

**Description of the Supply Chain:**

From July 2023 to July 2024, Majestic Goldtree 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 (18/06/2025)	Low

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

**Summary Results:**

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

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.3.6	New	<b>August 2024:</b> No work safety training was conducted for mill workers.

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
-	-	-

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

Recommendations
<p><b>Majestic Goldtree 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 5.3.6:</b> Majestic Goldtree shall conduct work safety training to mill workers annually.</p> <p>The next surveillance visit is scheduled for August 2025.</p>

**End of Summary Report**