

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Tenant: Ameron Wood Sdn. Bhd. 201601040027 (1210968-W) Landlord: Hap Seng Property Investment Sdn. Bhd. 198901006336 (183641-A)	<b>Reference #</b>	GFSSBH 004-759
<b>Contact Person</b>	Mr. Chong Chee Sin (Manager)	<b>Audit Date</b>	05/12/2024
<b>Office Address</b>	Sawmill A, Shed 27, Hap Seng Timber Complex, Mile 3 ½, Jalan Tanjung Batu Laut, 91037 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Sawmill A, Shed 27, Hap Seng Timber Complex, Mile 3 ½, Jalan Tanjung Batu Laut, 91037 Tawau, Sabah, Malaysia.	<b>Telephone</b>	+6016 919 1306
<b>Email</b>	ameronwood@yahoo.com DFO TWU: Nooridayu.MohdAyub@sabah.gov.my PPW TWU: MohdArapa.Lamuda@sabah.gov.my	<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 246 WTP		
Issuance Date	09 December 2024	Expiration Date	08 December 2025

### Assessment Details

Company Type	Sawmill, Exporter
Scope of Assessment	Sabah TLAS P5-6: KON(TTW)001/2021(KK), JP(T)TW002/05(B01), FDS(TW)(E)013/2020(MT), FDS(TW)(S)007/2020(MT), SFD(BEP)016/2023
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	<i>Eusideroxylon zwageri</i> (Belian), <i>Koompassia malaccensis</i> (Impas), <i>Syzygium aqueum</i> (Jambu-jambu), <i>Dialium indum</i> (Keranji), <i>Intsia palembanica</i> (Merbau), Other Timber (OT), <i>Dryobalanops aromatica</i> (Kapur), <i>Shorea pauciflora</i> (Obah Suluk), <i>Cassia fistula</i> (Golden Powder), <i>Shorea spp.</i> (Red seraya), <i>Pometia pinnata</i> (Kasai), <i>Shorea johorensis</i> (Majau), <i>Hopea sangal</i> Korth. (Gagil), <i>Cotylelobium lanceolatum</i> (Resak batu)
Lead Assessor	Anne G. Grace
Assessor(s)	Sheanna Kehong, Awena Jaibin
SFD Staff	Mangumba @Abd Majid Patiroi

### Terms of Assessment

The scope of the evaluation is to verify compliance with Ameron Wood 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:

Ameron Wood Sdn. Bhd. (Ameron Wood) is, on and from 01/12/2016, incorporated under Companies Act 2016, and is registered in Kuala Lumpur, Malaysia, with registration #:201601040027 (1210968-W). Ameron Wood purchased logs and sawn timber locally, produces sawn timber for the local market and exports to China.

Bestearn Sdn. Bhd. is, on from 27/06/1989, incorporated under Companies Act 2016 and changed its name to Hap Seng Property Investment Sdn. Bhd. (Hap Seng Property Investment) with registration #: 198901006336 (183641-A). Hap Seng Property Investment Sdn. Bhd. (Hap Seng Property Investment) is registered in Kuala Lumpur, Malaysia, with registration # 183641-A. Hap Seng Property Investment leased Sawmill A including sawmill machineries and equipment to Ameron Wood for sawn timber production.

### Associated Organizations & Subcontractors:

Ameron Wood has an agent, Arus Borneo Sdn. Bhd. to handle export documents.

### Description of the Supply Chain:

From July 2023 to October 2024, Ameron Wood purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Bornion Timber Sdn. Bhd.	SFMLA 03/1997	Round logs	Sook	GFS 054 LVS (27/10/2025)	Low
Sapulut Forest Development Sdn. Bhd.	SFMLA 04/97	Round logs	Tibow	GFS 025 LVS (09/07/2025)	Low
Dyna Wawasan Sdn. Bhd. (Rimbunan Gagah Sdn. Bhd.)	JP(S)TD004/19(B01)	Sawn timber	Tongod	Non-Compliance	High
Benta Wawasan Sdn. Bhd. (Putera Niaga Sdn. Bhd.)	JPHTN/FRM 700- 2/15/15/KLT.2/27	Round logs	Kalabakan	-	High
Junaidi Awang & 45 Peserta	2B308350	Round logs	Sandakan	-	High
Francis Bin Madangan & 40 Peserta (Sahabat Jayasama)	JP(STG)006/2021(F1)	Round logs	Tongod	Non-Compliance	High
Benta Wawasan Sdn. Bhd. (Golden Borneo Palm Sdn. Bhd./Timjadi)	JP(TKA)122/96(CO)	Round logs	Kalabakan	GFS 055 LVS (21/01/2025)	High
Binouo Bte Antaim Kikian Bin Gawir	2B 703814	Round logs	Nabawan	-	High
Rakyat Berjaya Sdn.Bhd. (Kinetic Journey Sdn. Bhd.)	SFMLA 09/07	Round logs	Kalabakan	GFS 130 LVS (03/09/2024)	High
Power Hardware Company	R 32958/08	Sawn timber	Tawau	-	High
Pesona Majukaya Sdn. Bhd.	SFMLA 01/2018, TWU 01/2018	Round logs	Tawau	GFS 163 LVS (18/06/2025)	Low
Top Quantum Sdn. Bhd.	SFMLA 01/2009 TWU 14/17	Round logs	Tawau	GFS 071 LVS (18/06/2025)	Low
Waygood Enterprise Sdn. Bhd. (Taman Timber Enterprise)	JP(N)NN002/19(B01)	Sawn timber	Nabawan	GFS 304 WTP (21/04/2025)	Low
Seguntor Sdn. Bhd.	JP(S)SS018/00(B01)- (2B 308183)	Sawn timber	Sandakan	GFS 138 WTP (06/10/2025)	Low
Rakyat Berjaya Sdn. Bhd. (Jakinta Trading Sdn. Bhd.)	FDS(TW)(E)006/2022, JP(STG)003/2022(F1)	Round logs	Tawau	GFS 299 WTP (12/11/2024)	High
Jakinta Trading (Joaz Enterprise)	FDS(TW)(E)006/2022 [JP(STG)003/2022(F1)]	Round logs	Tawau	-	High
Rakyat Berjaya Sdn. Bhd. (Kebamega Sdn. Bhd.)	JP(T)KA001/18(X21)	Sawn timber	Kalabakan	GFS 242 WTP (08/10/2024)	High
Maju Mapan Trading Sdn. Bhd.	JP(T)TW005/10(X04)	Sawn timber	Tawau	GFS 130 WTP (10/11/2025)	Low
Rakyat Berjaya Sdn. Bhd. (Usahawan Borneo Greenwood Sdn. Bhd.)	SFMLA 09/97(CON) TWU01/15-YT1/13(ITP)	Round logs	Kalabakan	GFS 096 LVS (24/11/2025)	Low
Rakyat Berjaya Sdn. Bhd.	SFMLA	Round	Kalabakan	-	High

(Hormat Jadi Sdn. Bhd.)	09/97(TWU)05/2023-5348	logs			
Rakyat Berjaya Sdn. Bhd. (ENJ Maju Sdn. Bhd.)	SFMLA 09/97, 09/23, 04/23, SDK 08/99	Round logs	Tongod	-	High
Kalabakan Borneo Resources Sdn. Bhd.	SFMLA 04/2018, TWU 04/2022	Round logs	Tawau	Non-Compliance	High
Innora Sdn. Bhd.	JP(S)SS003/06(X04)	Sawn timber	Sandakan	GFS 175 WTP (10/03/2025)	Low

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

### Summary Results:

(Major gap = 0, Minor gap = 3, Observation = 1)

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.2.11	New	<b>December 2024:</b> No batch number and status identification on WIP as per COC procedures.
002/2024	minor	5.3.6, 5.3.7	New	<b>December 2024:</b> No work training provided to workers and signage as Safety First, No Smoking and Assembly Point were not displayed and no PPE distribution records.
003/2024	minor	6.1.5	New	<b>December 2024:</b> Sales invoices and packing lists for Sabah TLAS products did not reference Sabah TLAS Compliance Certificate number.

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.3.2, 5.3.3	<b>December 2024:</b> No Employment agreement for workers.

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

Recommendations
<p><b>Ameron Wood 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 5.2.11:</b> WIP should be identified with a batch number and status from receiving to the Finished Goods as per the CoC procedure.</p> <p><b>Gap 002/2024 (minor) – Checklist 5.3.6, 5.3.7:</b> Ameron Wood shall conduct the work safety training annually, display safety signages and establish the PPE distribution record.</p> <p><b>Gap 003/2024 (minor) – Checklist 6.1.5:</b> Sabah TLAS Compliance Certificate number and Sabah TLAS status should be clearly identified on Sales invoice and packing list.</p> <p><b>Observation 001-2024 – Checklist 5.3.2, 5.3.3:</b> Ameron Wood should provide employment agreements to workers.</p> <p>The next surveillance visit is scheduled for December 2025.</p>

**End of Summary Report**