

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Innora Sdn. Bhd 199001004976 (196543-X)	<b>Reference #</b>	GFSSBH 004-818
<b>Contact Person</b>	Puan Dyana Rapah (Officer in Charge)	<b>Audit Date</b>	21/04/2025
<b>Office Address</b>	KM 11, Jalan Sinora, Batu Sapi, W.D.T 79, 90009 Sandakan, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	KM 11, Jalan Sinora, Batu Sapi, W.D.T 79, 90009 Sandakan, Sabah, Malaysia.	<b>Telephone</b>	+6011 3397 9520
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		<b>Approved By</b>	Dr. Kevin Grace

Statements			
Statement of Compliance	GFS 175 WTP		
Issuance Date	28 April 2025	Expiration Date	27 April 2026

Assessment Details	
Company Type	Sawmill, Moulding and Exporter
Scope of Assessment	Sabah TLAS P5-6: JP(S)SS003/06(X04), FDS(SS)(E)002/2021(M), FDS(SS)(S)004/2021(M)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	Parashorea spp. (White seraya), Shorea spp. (Red seraya, Yellow seraya, Melapi), Duabanga moluccana (Magas), Annonaceae spp. (Karai), Lauraceae (Medang), Lithocarpus & Quercus (Mempening), Parartocarpus or Artocarpus (Terap), Dialium indum (Keranj), Alstonia spp. (Pulai), Neolamarckia cadamba (Laran), Myristicaceae (Darah-darah), Gluta/ Semecarpus/ Melanochyla & Swintonia (Rengas), Eugenia spp. (Obah), Scaphium spp. (Kembang semangkuk), Annonaceae (Pisang-pisang), Sapotaceae (Nyatoh), Hopea sangal (Gagil), Pentace spp. (Takalis), Octomeles sumatrana (Binuang), Dyera spp. (Jelutong), Assam, Sindora beccariana (Sepetir), Dipterocarpus spp. (Keruing), Drybalanops spp. (Kapur), Azadirachta excels (Bawang-bawang), Prerospermum (Bayer), Calophyllum obliquinervium (Bintangor), Other Timber (OT)
Lead Assessor	Auther Isaac Itin
Assessor(s)	Sheanna Kehong, Riczuan Richard
SFD Staff	Ruslan HJ Ismail (ADFO Sandakan), Martin Mowbin (PPD Sandakan)

Terms of Assessment
The scope of the evaluation is to verify compliance with Innora 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:

Innora Sdn. Bhd. (Innora) is, on and from 11/04/1990, incorporated under Companies Act 2016, and is registered in Sandakan, Sabah, Malaysia, with registration #: 199001004976 (196543-X). Innora purchased round logs and produced sawn timber for the local market.

### Associated Organizations & Subcontractors:

Innora does not engage any other subcontractor to produce or manufacture products. Priceworth International Berhad has a group corporate structure that includes:

- Innora Sdn. Bhd.
- Sinora Sdn. Bhd.
- Priceworth Industries Sdn. Bhd.
- Cergas Kenari Sdn. Bhd.
- Beta Bumi Sdn. Bhd.
- Maxland Marine Sdn. Bhd.
- Maju Sinar Network Sdn. Bhd.
- Harvest Element Sdn. Bhd.
- GSR Pte. Ltd.
- Maxland Energy Sdn. Bhd.
- Maxland Bina Sdn. Bhd.

### Description of the Supply Chain:

From February 2024 to April 2025, Innora purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Azam Surianiaga Sdn. Bhd.	SFMLA 02/2018 (FMU 3 partly)	Round Logs	Kota Marudu	GFS 171 LVS (24/03/2025)	High
Rakyat Berjaya Sdn. Bhd. (Waygood Enterprise)	JP(DPS)007/2021(F1)	Round Logs	Pitas	GFS 198 LVS (07/04/2025)	High
Maxland Timber Sdn. Bhd. – FMU17A (Area A), FMU 17B (Area B & C)	SFMLA 01/2007 SFMLA 01/2007	Round Logs	Telupid	GFS 009 LVS (30/03/2026)	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 2025				
GAP #	Type	Checklist	Status	Description
001/2025	minor	5.1.3	Closed	<b>22 April 2025:</b> The volume for output, log supply, log and sawn timber C/F were incorrectly recorded in Appendix 1 manual submission. <b>25 April 2025:</b> Innora has amended and submitted the correction for Appendix 1 manual.
002/2025	minor	5.3.1, 5.3.2	Closed	<b>22 April 2025:</b> No employment agreement was established for workers and no COI established for 2 workers with some do not have expire date stamping by SFD. <b>25 April 2025:</b> Employment agreement was established for workers and COI was provided with the validity date.
003/2025	minor	6.1.5, 6.4.3	New	<b>April 2025:</b> The Sabah TLAS Compliance Certificate number was not stated in the sales invoice and Packing List/Delivery Note.

\*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
-	-	-

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

Recommendations
<p>Innora 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.</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 003/2025 (minor) – Checklist 6.1.5, 6.4.3:</b> Innora should include the Sabah TLAS Certificate number in the Sales invoice, Packing List and Delivery Note for sales of Sabah TLAS products.</p> <p>The next surveillance visit is scheduled for April 2026.</p>

**End of Summary Report**