

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	JQ Timber Sdn. Bhd. 200201027576 (595239-T)	<b>Reference #</b>	GFSSBH 004-824
<b>Contact Person</b>	Bonny Chu (Management Representative)	<b>Audit Date</b>	05/05/2025
<b>Office Address</b>	Lot No.31, DBKK No. 45-2, 2 <sup>nd</sup> Floor, Block D, Damai Plaza, Phase IV, Jalan Damai, Luyang, 88300 Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	-	<b>Telephone</b>	+6088 245 350 +6012 8203355
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 199 WTP		
Issuance Date	12 May 2025	Expiration Date	11 May 2026

### Assessment Details

Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)096/2019
Product Group	Sawn timber
Source of Material	Sabah - Malaysia
Species	Drybalanops spp. (Kapur), Dipterocarpus spp. (Keruing), Shorea inappendiculata (Selangan batu), Shorea spp. (Red seraya, Yellow seraya), Dialium indum (KerANJI), Agathis, OT (Other timber)
Lead Assessor	Author Itin (Lead Acting)
Assessor(s)	Sheanna Kehong
SFD Staff	Abu Bakar (PPD)

### Terms of Assessment

The scope of the evaluation is to verify compliance with JQ Timber 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:**

Wudaya Sdn. Bhd. is, on and from 09/10/2002, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Sabah, Malaysia, with registration #: 200201027576 (595239-T). The company on 07/01/2005 changed its name to JQ Timber Sdn. Bhd. (JQ Timber). JQ Timber purchases sawn timber from Sabah and exports them directly from the supplier to Japan and China.

JQ Timber has export and supplier licenses under MTIB in Peninsular Malaysia to purchase sawn timber and export sawn timbers from Peninsular Malaysia and Indonesia, which are directly shipped from the supplier in Peninsular Malaysia and Indonesia to its buyer in Japan and China without entering Sabah; therefore, these activities fall outside of the Sabah TLAS P5-6 scope.

**Associated Organizations & Subcontractors:**

JQ Timber does not engage any subcontractor to manufacture products or manpower. Arus Borneo Sdn. Bhd. as its agent in Tawau and Mega Agency Sdn. Bhd. as its agent in Kota Kinabalu handle documentation for export activities.

**Description of the Supply Chain:**

From December 2023 to April 2025, JQ Timber purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Tawau Kilning & Moulding Sdn. Bhd.	JP(T)TW001/14(X04)	Sawn timber	Tawau	GFS 036 WTP (20/10/2025)	Low
Caslink Sdn. Bhd.	JP(T)TW001/17(X49)	Sawn timber	Tawau	GFS 117 WTP (17/02/2026)	Low
Sogoraya Sdn. Bhd.	JP(K)KK001/18(M01)	Sawn timber	Kota Kinabalu	GFS 104 WTP (29/09/2025)	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 = 0)

**GAPs: Year 2025**

GAP #	Type	Checklist	Status	Description
001/2025	minor	5.3.1, 5.3.2	Closed	<b>05 May 2025:</b> Employment agreement was not established for workers. <b>09 May 2025:</b> Employment agreement for workers was established.

\*Major = Non-Compliance

**Observations: Year 2025**

Obs #	Checklist	Description
-	-	-

**Highlights of Close-Out Visit (if applicable)**

Date: -

Not applicable

**Recommendations**

**JQ Timber 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.

The next surveillance visit is scheduled for May 2026.

**End of Summary Report**