

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Yung Lung Trading Sdn. Bhd. 201601037768 (1208709-A)	Reference #	GFSSBH 004-832
Contact Person	Mr. Tiong Yu Lung (General Manager) Ms. Lily Hii Leh Leh (Director)	Audit Date	20/05/2025
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		Approved By	Dr. Kevin Grace

Statements			
Statement of Compliance	GFS 272 WTP		
Issuance Date	26 May 2025	Expiration Date	25 May 2026

Assessment Details	
Company Type	Moulding
Scope of Assessment	Sabah TLAS P5-6: JP(K)KK001/2020(M01), KON(KKK)002/2021(KK)
Product Group	Moulding (S4S), Plywood
Source of Material	Sabah, Malaysia
Species	Pinus (Pine), Shorea spp. (Red Seraya, Yellow Seraya), Shorea domatirosa (Selangan batu), Eucalyptus pellita (Eucalyptus), Intsia palembanica (Merbau), Eusideroxylon zwageri (Belian), OT (Other Timber)
Lead Assessor	Auther Itin (Acting Lead Auditor)
Assessor(s)	Sheanna Kehong
SFD Staff	-

Terms of Assessment
The scope of the evaluation is to verify compliance with Yung Lung Trading 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:

Yung Lung Trading Sdn. Bhd. (Yung Lung Trading) is, on and from 11/11/2016, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Malaysia, with registration #:201601037768 (1208709-A). Yung Lung Trading purchases sawn timber and produces moulding for the local market.

A tenancy agreement was made on 03/01/2017 between Jefferey Ian Jolly (Landlord) and Yung Lung Trading, letting the Demised premises to Yung Lung Trading for a period of 10 years starting 01/01/2017 to 31/12/2026.

Associated Organizations & Subcontractors:

Yung Lung Trading has a signed agreement "Memo of Work Service" with C. Y. K. Enterprise since 2002. Yung Lung Trading agrees to provide rip saw & resizing to C. Y. K. Enterprise.

Description of the Supply Chain:

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

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
C. Y. K. Enterprise Sdn. Bhd. *	FDS(KK)(I)039/2019	Sawn timber	Kota Kinabalu	GFS 264 WTP (11/05/2026)	Low
Lotus Region Sdn. Bhd.	JP(T)TW001/14(X20)	Sawn timber	Tawau	GFS 296 WTP (13/04/2026)	Low
Ameron Wood Sdn. Bhd.	JP(T)TW002/05(B01)	Sawn timber	Tawau	GFS 246 WTP (08/12/2025)	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 = 1)

GAPs: Year 2025				
GAP #	Type	Checklist	Status	Description
001/2025	minor	5.2.1, 6.1.1, 6.1.2, 6.1.3	Closed	20 May 2025: The current system for purchasing is not according to the CoC procedure. 21 May 2025: The current system for purchasing is according to the CoC procedure.
002/2025	minor	5.3.5	New	May 2025: Yung Lung Trading did not register JKKP 8 for 2024.

*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
001-2025	5.3.2	May 2025: Two workers are not registered under COI.

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

Recommendations

Yung Lung Trading 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:

Gap 002/2025 (minor) – Checklist 5.3.5: Yung Lung Trading should register JKKP 8 annually.

Observation 001-2025 (minor) – Checklist 5.3.2: Workers should be registered with COI.

The next surveillance visit is scheduled for May 2026.

End of Summary Report