

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Lessor: Woodlands Timber Sdn. Bhd. 197901002460 (46726-K) Lessee: Timwood Enterprise (Sole Proprietorship)	<b>Reference #</b>	GFSSBH 004-769a
<b>Contact Person</b>	<b>Woodlands Timber Sdn. Bhd.</b> Mr. Alvin Lin (Management Representative) <b>Timwood Enterprise (Sole Proprietorship)</b> Ms. Fong Yaw Food (General Manager)	<b>Audit Date</b>	07/01/2025
<b>Office Address</b>	<b>Woodlands Timber Sdn. Bhd.</b> Mile 1, Jalan Nabawan Keningau, P.O. Box 34, 89007 Keningau, Sabah, Malaysia. <b>Timwood Enterprise (Sole Proprietorship)</b> Mile 1, Jalan Nabawan Keningau, P.O. Box 2211, 89007 Keningau, Sabah, Malaysia.	<b>Date close out</b>	07/03/2025
<b>Mill Address</b>	Mile 1, Jalan Nabawan Keningau, 89007 Keningau, Sabah, Malaysia.	<b>Telephone</b>	+6016 821 0505 +6011 1955 5880
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statements			
Statement of Compliance	GFS 109 WTP		
Issuance Date	10 March 2025	Expiration Date	12 January 2026

### Assessment Details

Company Type	Sawmill, Moulding mill, Furniture mill Kiln Dry Plant
Scope of Assessment	Sabah TLAS P5-6: JP(N)KG.001/18(X49), JP(N)KG051/00(X22)R, KON(NKG)067/96(KK), JP(N)KG.001/18(X49), KON(NKG)001/2022(KK)
Product Group	Sawn timber, Moulding, Furniture (Wooden Door)
Source of Material	Sabah, Malaysia.
Species	<i>Drybalanops</i> spp. (Kapur), <i>Dipterocarpus</i> spp. (Keruing), <i>Koompassia malaccensis</i> (Impas), <i>Parashorea</i> spp. (White seraya), <i>Shorea</i> spp. (Red seraya, Yellow seraya, Melapi, Selangan batu), Sapotaceae (Nyatoh), <i>Eugenia</i> spp. (Obah), <i>Shorea pauciflora</i> (Oba suluk), Lauraceae (Medang), Lithocarpus & Quercus (Mempening), <i>Planchonia valida</i> (Putat), <i>Hopea sangal</i> (Gagil), <i>Koompassia excelsa</i> (Mengaris), <i>Tristanopsis merguensis</i> (Pelawan-pelawan), <i>Cotylelobium</i> spp. (Resak batu), <i>Intsia</i> spp. (Merbau), <i>Dialium indum</i> (KerANJI), <i>Castanopsis motleyana</i> (Berangan), <i>Magnolia candolii</i> (Chempaka), <i>Hevea brasiliensis</i> (Rubberwood), Acacia, Mengkulang, OT (Other timber)
Lead Assessor	Glory Linggou,
Assessor(s)	Sheanna Kehong, Keith Sinter
SFD Staff	Clarice V. Allion (ADFO Keningau)

**Terms of Assessment**

The scope of the evaluation is to verify compliance with Woodlands Timber Sdn. Bhd. (Timwood Enterprise) 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:**

Woodlands Timber Sdn. Bhd. (Woodlands Timber) is, on and from 12/04/1979, incorporated under Companies Act 2016, and is registered in Keningau, Sabah, Malaysia, with registration #: 197901002460 (46726-K). Woodlands Timber purchased sawn timber and produced moulding & furniture (wooden doors) for the local market. Timwood Enterprise is sole proprietorships; thus, Timwood Enterprise is not required to register under the Companies Commission of Malaysia (SSM).

Woodlands Timber (The Lessor) leases the demised premises to Timwood Enterprise (The Lessee) for a term of 2 years.

**Associated Organizations & Subcontractors:**

Woodlands Timber and Timwood Enterprise does not engage other companies as their subcontractors to provide manpower, moulding services or manufacturing products.

**Description of the Supply Chain:**

From August 2023 to December 2024, Woodlands Timber purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Irama Ramai Sdn. Bhd.	JP(N)KG.001/12(X04)	Sawn timber	Keningau	GFS 110 WTP (13/10/2025)	Low
Waygood Enterprise Sdn. Bhd. (Taman Timber Enterprise)	JP(N)NN002/19(B01)	Sawn timber	Nabawan	GFS 304 WTP (21/04/2025)	Low
Uni-Lumber Sdn. Bhd.	FDS(KK)(E)102/2019	Sawn timber	Kota Kinabalu	GFS 233 WTP (11/08/2025)	Low

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

From August 2023 to December 2024, Timwood Enterprise purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Sapulut Forest Development Sdn. Bhd.	SFMLA 04/97	Round log	Tibow	GFS 025 LVS (09/07/2025)	Low
Chung Siew Chin	JPHTN/TNM700-2/5/11/JILID.1(37)	Teak	Tenom	-	High
Chung Tze Ye	JPHTN/TNM700-2/5/11/JLD.21(71)	Rubber Wood	Tenom	-	Low
Rining B. Mansih	JPHTN/TNM700-2/5/11/JLD.21(59)	Rubber wood	Tenom	-	Low

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

**Summary Results:**

(Major gap = 4, Minor gap = 3, Observation = 1)

March 2025: (Major gap = 0, Minor gap = 3, Observation = 1)

GAPs: Year 2025				
GAP #	Type	Checklist	Status	Description
001/2025	minor	5.1.1	New	<b>January 2025:</b> The Trading license for Timwood Enterprise recently expired.
002/2025	<b>Major</b>	5.1.2, 5.2.9	Closed	<b>January 2025:</b> The Mill Contractor license for Timwood Enterprise has expired since January 2024. <b>March 2025:</b> Timwood Enterprise decided to cease operation based on letter dated 06/03/2025; thus, the mill contractor mill is in the process of cancellation.
003/2025	minor	5.2.1, 6.1.1, 6.1.2, 6.1.3, 6.1.4	New	<b>January 2025:</b> The current purchasing system is not according to the COC procedure.
004/2025	<b>Major</b>	5.2.6, 5.2.7, 5.2.11, 5.2.12	Closed	<b>January 2025:</b> Materials received for Timwood Enterprise was not adequately identified with a batch number and Sabah TLAS status from receiving to the Finished Goods as per the CoC procedure. <b>March 2025:</b> Timwood Enterprise has identified the materials received from the receiving to the Finished Goods with a batch number and Sabah TLAS status as per the CoC procedure.
005/2025	<b>Major</b>	5.3.1, 5.3.2	Closed	<b>January 2025:</b> No evidence that workers have an employment agreement and COI. <b>March 2025:</b> Timwood Enterprise decided to cease operation based on letter dated 06/03/2025; thus, workers are no longer employed.
006/2025	<b>Major</b>	5.3.5	Closed	<b>January 2025:</b> Workers under Timwood Enterprise were not registered and contributed under SOCSO and EPF. <b>March 2025:</b> Timwood Enterprise decided to cease operation letter dated 06/03/2025; thus, workers are no longer employed.
007/2025	minor	5.3.6	New	<b>January 2025:</b> No work safety training was conducted for workers under Woodlands Timber and Timwood Enterprise.

\*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
001-2025	5.2.4	<b>January 2025:</b> One sample of removal pass was not stamped as "Used" by the SFD.

Highlights of Close-Out Visit (if applicable)	Date: 07 March 2025
The Major gaps 002/2025, 004/2025, 005/2025, 006/2025 shall be addressed within 2 months by March 2025. Timwood Enterprise provided a letter of ceased operation dated 03/03/2025. Thus, the Major gaps are now closed.	

### Recommendations

**Woodlands Timber Sdn. Bhd. (Timwood Enterprise)** has demonstrated compliance with the Sabah Principles 5-6 for Chain of Custody as non-compliance was addressed under Criteria 5.1, 5.2 & 5.3 and is recommended to receive a GFS Statement of Compliance or 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 001/2025 (minor) – Checklist 5.1.1:** Timwood Enterprise shall renew the trading license annually.

**Gap 003/2025 (minor) – Checklist 5.2.1, 6.1.1, 6.1.2, 6.1.3, 6.1.4:** Woodlands Timber and Timwood Enterprise shall ensure the current purchasing system is according to the CoC procedure.

**Gap 007/2025 (minor) – Checklist 5.3.6:** Woodlands Timber and Timwood Enterprise shall conduct work safety for workers and Timwood Enterprise should establish PPE distribution records.

**Observation 001-2024 - Checklist 5.2.4:** SFD shall ensure all removal passes are stamped as “Used.”

The next surveillance visit is scheduled for January 2026 if the company restarts operations.

### End of Summary Report