

# Factory Audit Report

| A General Information    |                                                           |                             |              |              |
|--------------------------|-----------------------------------------------------------|-----------------------------|--------------|--------------|
| Client Name              | Withheld                                                  |                             |              |              |
| Tade Company             | Withheld                                                  |                             |              |              |
| Factory Name             | Withheld                                                  |                             |              |              |
| Business License Address | Withheld                                                  |                             |              |              |
| Actual Factory Address   | √Conform                                                  |                             | ☐Not Conform |              |
| Factory LegalPerson      |                                                           |                             |              |              |
| Factory Ownership        | Own property rights                                       |                             |              |              |
| Factory Established At   | 2013-11-12                                                | Business License valid till | Long term    |              |
| Business License Number  |                                                           |                             |              |              |
| Registered Capital       | RMB 1,600,000                                             | Annual Audit                | √Conform     | ☐Not Conform |
| Main Product             | Ceramic tableware                                         | Annual Output (RMB)         | 70,000,000   |              |
| Website                  |                                                           |                             |              |              |
| Main Market              | North America, Middle East, South America, Western Europe |                             |              |              |
| Evaluation Started at    | 2026-05-18                                                | Evaluation Completed at     | 2026-05-18   |              |

| Business License                                                                                    |                                                                                                      |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
|  <p>Factory-</p> |  <p>Withheld</p> |



PI



Payment

## B. Production Capability

### Main Product



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(20/21)



(21/21)



## C. Workshop And Plant Overview

|                                           |                                |                                               |                    |
|-------------------------------------------|--------------------------------|-----------------------------------------------|--------------------|
| Factory Area (m <sup>2</sup> )            | 27000m <sup>2</sup>            | Office Area (m <sup>2</sup> )                 | 1800m <sup>2</sup> |
| Workshop Area (m <sup>2</sup> )           | 15000m <sup>2</sup>            | Raw Material Warehouse Area (m <sup>2</sup> ) | 3000m <sup>2</sup> |
| Products Warehouse Area (m <sup>2</sup> ) | 4000m <sup>2</sup>             | Showroom Area (m <sup>2</sup> )               | 300m <sup>2</sup>  |
| Factory Environment                       | <input type="checkbox"/> Clean | <input checked="" type="checkbox"/> Dirty     | Remarks: /         |

Gate



Office



(1/1)

## Showroom



(1/3)



(3/3)

## Workshop





### Raw Material Warehouse



(1/12)



(2/12)



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(4/12)



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(12/12)

### Finished Goods Warehouse



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(2/3)



(3/3)

## D. Equipment Information

| Nr . | Equipment Name                    | Model Nr. | Quantity | Maintenance Records          |     |
|------|-----------------------------------|-----------|----------|------------------------------|-----|
| 1    | Mud processing machine            | /         | 4        | <input type="checkbox"/> Yes | √No |
| 2    | Handmade molding machine          | /         | 15       | <input type="checkbox"/> Yes | √No |
| 3    | Machine molding machine           | /         | 5        | <input type="checkbox"/> Yes | √No |
| 4    | Glazing machine                   | /         | 4        | <input type="checkbox"/> Yes | √No |
| 5    | Kiln 85 meters                    | /         | 1        | <input type="checkbox"/> Yes | √No |
| 6    | Bottom grinding machine           | /         | 6        | <input type="checkbox"/> Yes | √No |
| 7    | 60-meter kiln for firing ceramics | /         | 1        | <input type="checkbox"/> Yes | √No |

Mud processing machine



(1/3)



(2/3)



(3/3)

Handmade molding machine



(1/3)



(2/3)



(3/3)

Machine molding machine



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Glazing machine



(1/2)

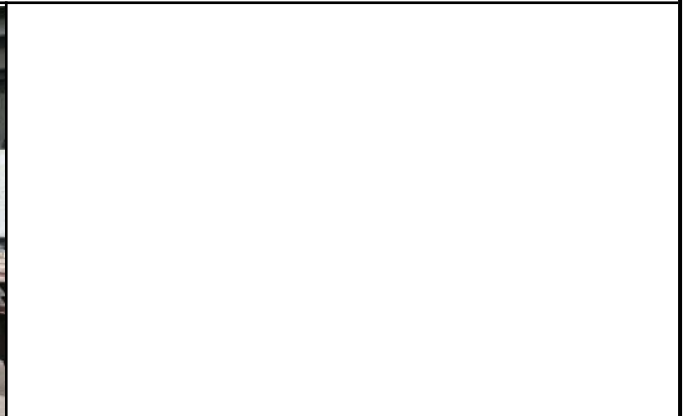


(2/2)

Kiln 85 meters



(1/1)



Bottom grinding machine



(1/2)



(2/2)

60-meter kiln for firing ceramics



(1/2)



(2/2)

## E. Production And Manufacturing Process

| Production Line                      | Automatization                          |                                                    | Production Line Quantity | Staff Quantity | Yearly Output |
|--------------------------------------|-----------------------------------------|----------------------------------------------------|--------------------------|----------------|---------------|
| Clay processing                      | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 4                        | 18             | /             |
| Handmade molding and machine molding | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 6                        | 80             | 25000000      |
| Printing processing                  | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 14                       | 18             | 12000000      |
| Glazing processing                   | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 4                        | 19             | 25000000      |
| Put into the kiln                    | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 1                        | 28             | 25000000      |
| Grading and polishing                | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 1                        | 11             | 25000000      |
| Decals and baked                     | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 1                        | 25             | 8000000       |
| Packaging                            | <input type="checkbox"/> Full-automatic | <input checked="" type="checkbox"/> Semi-automatic | 1                        | 16             | 25000000      |

Clay processing



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(2/6)



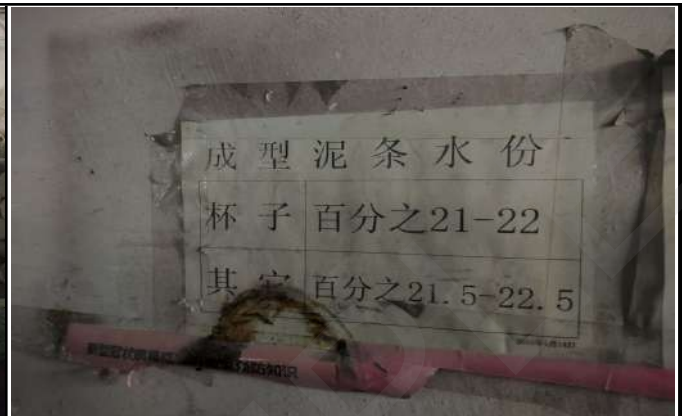
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## Handmade molding and machine molding



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(18/18)

## Printing processing



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## Glazing processing



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Put into the kiln



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Grading and polishing



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(4/4)

Decals and baked



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## Packaging



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(2/4)



(3/4)



(4/4)

## F. Human Resource Records

| Staff Information |                                     |                  |               |        |
|-------------------|-------------------------------------|------------------|---------------|--------|
| Nr.               | Breakdown                           | Staff Registered | Staff on Duty | Remark |
| 1                 | Management                          | /                | 7             | /      |
| 2                 | Product Department                  | /                | 215           | /      |
| 3                 | Logistics Division                  | /                | 7             | /      |
| 4                 | Business Department                 | /                | 8             | /      |
| 5                 | Research and Development Department | /                | 2             | /      |
| 6                 | Administrative Department           | /                | 5             | /      |
| 7                 | Others                              | /                | /             | /      |
| Audited           |                                     | /                | 244           | /      |

## G. Operation Records

|                                              |   |
|----------------------------------------------|---|
| The factory refused to provide the documents |   |
| /                                            | / |

### H. Conclusion

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                 |            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------|------------|
| Evaluated By                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  | Evaluation Date | 2026-05-18 |
| Approved By                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  | Approved Date   | 2026-05-18 |
| <p>The Vendor is visited and assessed by Import QC Quality Engineer(10370). All documents have been presented and audited. Please refer to the below summary:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |                 |            |
| <p>1. ***is a trading company, while *** is the manufacturing factory, and the two parties maintain a cooperative relationship. Photos are available as evidence of their business contracts and financial transactions. The actual factory address is consistent with the address stated on the business license. Founded on November 12, 2013, *** covers a plant area of 27,000 square meters with 244 employees, ranking as a medium-to-large-scale enterprise in the local ceramics industry of WITHHELD.</p> <p>2. The capacity utilization rate reaches over 80%.</p> <p>3. Most production facilities are semi-automatic and relatively outdated.</p> <p>4. Relevant certificates were not provided.</p> <p>5. Organization chart and production flow chart were not submitted.</p> <p>6. No standardized production work instructions are available.</p> <p>7. All production procedures are completed in-house without outsourced processing, featuring sound production control capability.</p> <p>8. The factory is capable of developing new products, yet holds no product patents.</p> <p>9. There is no independent laboratory or professional testing equipment on site.</p> <p>10. On-site quality inspection was observed during production, whereas relevant inspection records are missing.</p> <p>11. Incoming raw material inspection is conducted, but no corresponding inspection records are kept.</p> <p>12. The factory failed to present quality improvement measures and relevant management procedures.</p> <p>13. No complete quality traceability system has been established in the factory.</p> |  |                 |            |