

TONGXIANG MIRACLE KNITTING FACTORY CO., LTD



FACTORY PROFILE

| | |
|-----------------------------|---|
| FACTORY NAME | TONGXIANG MIRACLE KNITTING FACTORY CO., LTD. |
| SUB-CON/AFFILIATE OF | |
| ADDRESS | No.2 Industrial Area Economic Development Zone, Tongxiang, Zhejiang, China |
| CONTACT PERSON | Ms. Charing Lai (Merchandiser Manager) Mr. Michael Weng(Factory Manager) Ms. Susan Ni (Secretary) |
| TEL NO. | 86-573-8810 8996/8810 4012 |
| FAX NO. | 86-573- 8810 5727 |
| EMAIL | charing_lai@miracleknitting.net susan_ni@miracleknitting.net |
| YEAR ESTABLISHED | April 2001 |

I . FACTORY PAST EXPERIENCE & PRODUCTION RECORD:

| | | | | | | |
|-----|------------------------|--|-------------------|---------------------|------------|-----------|
| (a) | Main Customers / Label | USA market –Brooks Brother , Garnet Hill | | | | |
| | | Europe market –Massimo Dutti, Uterque, Guess, Gstar, Karen Millen | | | | |
| (b) | Main Products | Men’s 20%, Ladies 80%, Kids 0% | | | | |
| | | Cardigan, Blouse, Vest, Tops, Bottoms, Dress | | | | |
| (c) | Material | Kinds of viscose, cotton, rayon, wool, acrylic, polyester, silk, linen | | | | |
| (d) | Market | U.S.A. 35%, Europe 65% | | | | |
| (e) | Factories | Yarns&Colors Co.Ltd | | | | |
| | Providing Raw Material | Shandong Hengtai Textile Co. , Ltd. | | | | |
| | Subcontractors: | None | | | | |
| (f) | Staffing | Department | No. of supervisor | No. of operator | Total | Max. Cap. |
| | | Rewinding 倒紗工 | 1 | 4 | 5 | |
| | | Knitting 橫機工 | 1 | 29 | 30 | |
| | | Checking panel 驗片/複尺 | 1 | 3 | 4 | |
| | | Linking 套口工 | 1 | 39 | 40 | |
| | | Manual stitching 手縫 | 1 | 6 | 7 | |
| | | Cutting 裁床 | 1 | 2 | 3 | |
| | | Sewing (2) lines 車縫 | 2 | 20 | 22 | |
| | | Ironing 燙部 | 1 | 14 | 15 | |
| | | In-line inspector 中查 | 0 | 10 | 10 | |
| | | Final inspection 查衫 | 1 | 9 | 10 | |
| | | Bundle boy 收發 | 0 | 3 | 3 | |
| | | Packing 包裝 | 1 | 10 | 11 | |
| | | QC/QA | 1 | 5 | 6 | |
| | | Washing 水洗 | 1 | 3 | 4 | |
| | | Sampling 板房 | 1 | 19 | 20 | |
| | | Warehouse 倉庫 | 1 | 2 | 3 | |
| | | Mechanic 機修 | 0 | 4 | 4 | |
| | | Office 辦公室 | 3 | 20 | 23 | |
| | | Back of house 後勤 | 1 | 9 | 10 | |
| | | Total | 19 | 211 | 230 | |
| (g) | Factory Area | Production area | 16,724 | Square meter | | |
| | | Office area | 2,236 | Square meter | | |
| | | Warehouse area | 1,427 | Square meter | | |
| | | Total | 20,387 | Square meter | | |

| | | | |
|-----|-------------------------------|---|---|
| (h) | Production Capacity | Monthly cap. | Knitting: 120,000 pieces Woven: 50,000 pieces |
| (i) | Production System | UPS | UPS (Unit Production System) / PBU (Progressive Bundle Unit) |
| (j) | Lead Time | 45-60 days | |
| | Factory Annual Turnover | USD15,000,000 | |
| (K) | Investment capital | USD6.30 Mil. | |
| (L) | Banker | Industrial and Commercial Bank of China, Tongxiang Branch | |
| (M) | Factory Plant | Own (x) | Lease () |
| (N) | Distance from nearest airport | 60 miles @ 50 minutes | |
| (O) | Staff turnover rate | 5% | |
| (P) | Avg. age range | 19 to 45 years old | |

II. FACTORY EQUIPEMENT

| ITEM | BRAND | MODEL# | MACHINE NAME | TOTAL |
|------|----------|--------------------------|--|-------|
| 專案 | 商標 | 型號 | 機器名稱 | 總數量 |
| 1 | 慈星 | GE2-52C | 電腦橫機 Computerized Flat Knitting M/C | 104 |
| | | 12/14/16GG | | |
| | | 3/5/7/9GG | | |
| | 慈星 | UZON-E2.0(12GG) | 電腦半自動橫機 SEM1-AUTOMATIC FLAT KNITTING MACHINE | 7 |
| | | 14GG | 電腦半自動橫機 | 1 |
| 2 | 蘇州三紡 | 1332A | 槽筒車 Grooved Drum Winder | 4 |
| 3 | | | 倒毛機 Yarn Winding M/C | 3 |
| 4 | 港機 | 9/12/14GG | 織帶機 Placket Knitting M/C | 15 |
| 5 | | | 圓帶機 Round Braiding M/C | 6 |
| 6 | | 5/8/10/14/16/18/ 20GG | 套口機 Linking M/C | 100 |
| 7 | | | 燈照 Lamp M/C | 2 |
| 8 | 泰鋒/金星 | | 洗衣機 Washing M/C | 4 |
| 9 | 泰鋒 | | 脫水機 Water Extractor | 1 |
| 10 | 金星/三羽 | | 烘乾機 Dryer | 14 |
| 11 | 上海三友 | YTT | 吸風燙台 Vacuum Table | 70 |
| 12 | 大島 | OP-408A | 去汙機 Soil Removal M/C | 2 |
| 13 | 2FLOWERS | ZCA-010 | 掃毛機 Brush M/C | 2 |
| 14 | 萬羽 | WY-630BC | 驗針機 Needle Detector | 2 |
| 15 | | | 捆紮機 Packer | 1 |
| 16 | 理寶 | | 燈箱 Light Box | 1 |
| 17 | JOYEE | | 平縫機 Sewing M/C | 64 |
| 18 | 西安兄弟 | 7*DB2-C101-3 | 四線包縫機 4 Thread Overlock | 4 |
| | JACK | JK-迅利 | | 25 |
| | 兄弟 | EF4-C21 | | 4 |
| 19 | PEGASUS | M732-38 | 五線包縫機 5 Thread Overlock | 19 |
| 20 | JUKI | LBH-781 | 鎖眼機 Button Holing M/C | 7 |
| 21 | JUKI | MB-373/BE-438C | 釘鈕機 Button Attacher | 5 |
| 22 | 標準 | ZN-90 | 裝鈕機 Button Fastening M/C | 3 |
| 23 | JUKI | LK-1850 | 套結機 Bar-tacking | 1 |
| 24 | JUKI | DLM-5200N | 刀車 Lockstitch M/C | 6 |
| 25 | 標準 | GC6170 | 雙針車 Double Needle Sewing M/C | 3 |
| | JACK | JK5559 | | 9 |
| | JUKI | LG-3128 | | 9 |
| 26 | 雙工 | GZ6-3 | 密針車 Multi Needle Sewing M/C | 3 |
| 27 | 飛馬 | | 哈梭車 Cover Stitch | 5 |
| 28 | 銀剪 | | | 3 |
| | 標準 | | | 1 |
| | 兄弟 | EF4-C21-W520-25-H8F | | 9 |
| | MAIER | D-73253 | 撬邊機 Interval Stitch | 1 |

| | | | | |
|----|---------|---------------------------|-----------------------------|------------|
| 29 | 成豐 | GF20S | 分線機 Parting Thread M/C | 1 |
| 30 | MEIJIA | G15-2 | 跳針機 Skipping Stitch M/C | 1 |
| 31 | 創威 | CPJ | 拆毛機 Rewinding Yarn M/C | 2 |
| 32 | EASTMAN | | 電剪刀 Cutting M/C | 3 |
| 33 | | SR-400/NHJ-900 | 粘合機 Fusing M/C | 3 |
| 34 | | 16000X1380/1600 0X1700 | 裁床 Cutting Table | 2 |
| 35 | SUNSTAR | SM55-2070 | 曲折機 Zigzag M/C | 3 |
| 36 | TYPICAL | GK0056-1 | 雙針鎖鏈平縫機 Double Chain-stitch | 1 |
| 37 | 兄弟 | RH-981A-01 | 圓頭鎖眼機 | 2 |
| 38 | 創傑 | KB-70RKW | Fabric Inspection M/C 驗布機 | 1 |
| 39 | 大洋 | BYDD-1/CZD-B11 | 手動斷布機 | 2 |
| | | | Total | 736 |

III. Quality Control

| Area Type | Yes/No | % of inspected/ level | What is inspected | Record maintained |
|-------------|--------|--------------------------|----------------------------------|----------------------|
| Fabrics | Y | 4 points system | Color/defect/ Shrinkage, Quality | Y |
| Trim | Y | AQL 2.5 | Quantity, Quality | Y |
| Cutting | Y | AQL 2.5 | Quality, Panel Measurement Check | Y |
| In-line | Y | AQL 2.5 | Measurement/workmanship | Y |
| Final 100% | Y | AQL 2.5 | Measurement/workmanship | Y |
| Final audit | Y | AQL 2.5 | Measurement/workmanship | Y |

IV. Production Support Capabilities

| | | | |
|------|------------|----------------------------|----------------------|
| (i) | Laundry | Ownership | Own (x) |
| | | Monthly cap. | 120000 pieces |
| | | Daily washing cap/ machine | 1200 pcs/8 hours/set |
| | | Total no. of machine | 5 sets |
| | | Daily drying cap/ machine | 55 pcs / hours / set |
| | | Total no. of machine | 14sets |
| | | Type of wash | Garment wash |
| | | Water treatment plant | Yes |
| (ii) | Embroidery | Ownership | Own () |
| | | Monthly cap. | |
| | | Daily cap./machine | |
| | | Total no. of machines | |
| | | Type of equipment | |

V. Social Compliance Policy:

(1) Child Labor:

| | |
|--|---|
| Does factory use child labor (with age less than 16 years old)? | No |
| Minimum age of workers in the factory ? | 18 years old |
| Are there children working in the factory premises? | No |
| Does factory provide support document or identity to verify workers age? | Yes (ID card copy maintained in each employee file as proof of age) |

(2) Wage and Hours Practices:

| | |
|--|--|
| No. of regular hours do workers work per week? | 40 hours (8am to 5pm, with one-hour break, Mon to Fri) |
| Average overtime hours that workers work per week? | 20 hrs |
| Do the workers compel to work for overtime? | No |
| Compensation to workers for overtime ? | 150%, 200%, 300% of regular rate |

(3) Dormitories condition:

| | |
|--|-----|
| Does factory provide dormitories to workers? | No |
| How many workers will arrange to stay in one room? | N/A |
| Does the condition of dormitories acceptable? | N/A |

(4) Factory Safety:

| | |
|--|-----|
| Does the factory layout clearly show with FIRE escape instruction? | Yes |
| Does FIRE EXIT find at each floor of factory premises? | Yes |
| Do Fire Extinguishers install at various departments of factory? | Yes |
| Does the "First-Aid Kit" place in the working floor for emergency use? | Yes |

(5) Product Safety:

(i) Needle Policy:

| | |
|--|-----|
| Is the needle policy implement by factory? | Yes |
| Did the factory keep the record of Broken Needles as worker replaced for new needle? | Yes |

(ii) Machine Maintenance

| | |
|---|---------------------|
| How many times do the workers clean their machines per day? | Once daily |
| How long does the factory replace the new press cover? | As & when necessary |

(iii) Environment

| | |
|--|---------------------------|
| Lighting sufficient | Good (x) Fair () Dim () |
| Ventilation/Air-conditioned Ducting System | Good (x) Fair () Dim () |
| Cleanliness of working floor & corridor inside factory | Good (x) Fair () Dim () |

(6) Premises Facilities:

| | |
|--------------------------------|------------------------------------|
| Age of building | 15 years |
| Construction of building | Concrete with cement masonry until |
| Number of Stories in one Block | 2/5 |
| Is there Basement Storage | No |

(7) Protection of Premises:

| | |
|------------------------------------|--|
| Type of Alarm System | Fire alarm |
| Are there 24-hours Security Guards | Yes |
| Is there a Sprinkler system | Fire extinguishers ABC type, dry powder type. No Wet system. |

VI. Factory Rating: as on March 2005

| | |
|----------------------------------|-------------------------------------|
| 1. Fabric/Accessories inspection | Good (x) Fair () Pass () Poor () |
| 2. Cutting | Good (x) Fair () Pass () Poor () |
| 3. Sewing | Good (x) Fair () Pass () Poor () |
| 4. In-line checking | Good (x) Fair () Pass () Poor () |
| 5. Pressing | Good (x) Fair () Pass () Poor () |
| 6. Packing | Good (x) Fair () Pass () Poor () |
| 8. Final Inspection | Good (x) Fair () Pass () Poor () |

VII. Management & Control:

| | |
|-------------------------|-----|
| 1. Certificate obtained | |
| RCS | BCI |
| OCS | RWS |
| SEDEX | |

VIII. FACTORY PHOTOS OF INDIVIDUAL SECTION (please see separate page):

Sweater

Rewinding Yard



Auto Knitting



Linking



Washing



Ironing



Inspection



Packing



Woven Sewing



Ironing

