EXPORTER QUESTIONNAIRE

Deep Drawn Stainless Steel Sinks Exported from the People’s Republic of China

(PUBLIC RECORD)

Response submitted by:

Flowtech Co., Ltd
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Answer: Please refer to Annex A-5-1 Income Statement of Flowtech and Annex A-5-2 Income Statement of Zhongshang Flowtech. Both Flowtech and Zhongshang Flowtech did not separately record its sales revenue and cost by different products. When preparing Annex A-5, the costs are allocated into the goods under consideration by its sales revenue in total sales revenue of whole company. 9

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SECTION A - COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Name: Robert Su
Position in the company: General Manager
Address: Xinxu CEIEC Industrial Area Sanxiang Town, Zhongshan, Guangdong
Telephone: +86-760-86361901
E-mail address of contact person: Robert@flowtech.net.cn

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

A-2 Representative of the company for the purpose of investigation

If you wish to appoint a representative to assist you in this investigation, provide the following details:

Name: Lin Yang
Address: Room 501, 05/F, Office Tower 2, Kunsha Center, No. 16 Xinyuanli, Chaoyang District, Beijing 100027
Telephone: +86-10-84683682
Facsimile/Telex number: +86-10-84683689
E-mail address of contact person: yanglin@ayyinlawyer.com

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.
A-3 Company information

1. What is the legal name of your business? What kind of entity is it (eg. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

Answer: The legal name is Flowtech Co., Ltd (“Flowtech”). Flowtech is a limited liability company registered in BVI, and it does not use other names in exporting the goods under consideration. Its affiliate, Zhongshan Flowtech is also a limited liability trading company, and it does not use other names in exporting the goods under consideration.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

Answer: 【confidential information】

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3. If your company is a subsidiary of another company, list the principal shareholders of that company.

Answer: Flowtech is not the subsidiary of another company.

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

Answer: Flowtech is not the subsidiary of another company.

5. Provide a diagram showing all associated or affiliated companies and your company’s place within that corporate structure.

Answer: Please refer to Annex A-3.5 Affiliation Chart

6. Are any management fees/corporate allocations charged to your company by your parent or related company?

Answer: Flowtech is not the subsidiary of another company.
7. Describe the nature of your company’s business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

**Answer:** Flowtech is a trading company. [confidential information]

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8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

**Answer:** Flowtech is a trading company. The manufacturer is Zhongshan Jiabaolu Kitchen & Bathroom Products Co., Ltd (“Jiabaolu”). Jiabaolu has filed separate response to this questionnaire.

9. Provide your company’s internal organisation chart. Describe the functions performed by each group within the organisation.

**Answer:** [confidential information] Please refer to Annex A-3.9 Internal Organizational Chart of Zhongshan Flowtech.

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

10. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

**Answer:** as to the company’s product brochure, please refer to http://en.gabalu.com.cn.

**A-4 General accounting/administration information**

1. Indicate your accounting period.
Answer: The accounting period is from 1 January to 31 December of the calendar year, which is same for both Flowtech and Zhongshan Flowtech.

2. Indicate the address where the company’s financial records are held.

Answer: The accounting records are held at Xinxu CEIEC Industrial Area Sanxiang Town, Zhongshan, Guangdong, China, which is same for both Flowtech and Zhongshan Flowtech.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:
   - chart of accounts;
   - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor’s opinion);
   - internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under consideration.

   These documents should relate to:
   - the division or section/s of your business responsible for the production and sale of the goods under consideration, and
   - the company.

Answer: Please refer to Annex A-4.3-1 Chart of Account of Flowtech and Annex A-4.3-2 Profit and Loss Reports of Year 2012 and 2013 of Flowtech. The same of its affiliate, Zhongshan Flowtech is also provided. Please refer to Annex A-4.3-3 Chart of Account of Zhongshan Flowtech and Annex A-4.3-4 Audited Report of Year 2012 and 2013 of Zhongshan Flowtech.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Answer: As a company registered in BVI, Flowtech is not required to have its financial statements audited. Zhongshan Flowtech prepares audited reports each year.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

Answer: Not applicable, the accounting practice adopted by Flowtech is in line with the Hong Kong GAAP. The accounting practice of Zhongshan Flowtech is in line with Chinese GAAP.

6. Describe:
The significant accounting policies that govern your system of accounting, in particular:

- the method of valuation for raw material, work-in-process, and finished goods inventories (eg last in first out –LIFO, first in first out- FIFO, weighted average);

  **Answer:** Not applicable, because Flowtech does not have any inventory. Zhongshan Flowtech adopts the weighted average method for inventories.

- costing methods, including the method (eg by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

  **Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

  **Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- valuation methods for scrap, by products, or joint products;

  **Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- valuation and revaluation methods for fixed assets;

  **Answer:** Not applicable to Flowtech, because Flowtech does not have fixed assets. As to Zhongshan Flowtech, the fixed asset is booked according to its cost.

- average useful life for each class of production equipment and depreciation method and rate used for each;

  **Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- treatment of foreign exchange gains and losses arising from transactions;

  **Answer:** Not applicable. Flowtech and Zhongshan Flowtech settle account by CNY rather than foreign currency. Australian customers make the payment in CNY.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;
Answer: Not applicable. Flowtech and Zhongshan Flowtech settle account by CNY rather than foreign currency.

- inclusion of general expenses and/or interest;

**Answer:** The general expenses and/or interest is recorded in the profit and loss account directly.

- provisions for bad or doubtful debts;

**Answer:** For Flowtech, bad debts are recorded as expenses in the profit and loss account directly. For Zhongshan Flowtech, provisions for bad or doubtful debts are made based on the age of accounts receivable.

- expenses for idle equipment and/or plant shut-downs;

**Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- costs of plant closure;

**Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- restructuring costs;

**Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- by-products and scrap materials resulting from your company’s production process; and

**Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

- effects of inflation on financial statement information.

**Answer:** Not applicable. No such situation exists during the investigation period.

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

**Answer:** Not applicable. No accounting methods have been changed over the last two years.

**A-5 Income statement**
Complete the spreadsheet ‘Income statement’ in the Exporter Questionnaire spreadsheets - sinks workbook.

Note: if your financial information does not permit you to present information in accordance with this spreadsheet please present the information in a form that closely matches the table.

You will note that the spreadsheet requires information concerning all products produced and for the goods under consideration (‘goods under consideration’ (the goods) is defined in the Glossary of Terms in the appendix to this form). You should explain how costs have been allocated.

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company’s structure, the allocations would not be helpful in this process, please explain why this is the case.

Answer: Please refer to Annex A-5-1 Income Statement of Flowtech and Annex A-5-2 Income Statement of Zhongshan Flowtech. Both Flowtech and Zhongshan Flowtech did not separately record its sales revenue and cost by different products. When preparing Annex A-5, the costs are allocated into the goods under consideration by its sales revenue in total sales revenue of whole company.
A-6  Sales

Complete the spreadsheet 'Turnover' in the Exporter Questionnaire spreadsheets - sinks workbook.

Note: if your financial information does not permit you to present information in accordance with this spreadsheet please present the information in a form that closely matches the table.

This requires you to state your company's net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept.

This information will be used to verify the cost allocations to the goods under consideration in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

Answer: Please refer to Annex A-6-1 Turnover of Flowtech and Annex A-6-2 Turnover of Zhongshan Flowtech.
This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory. Export prices are usually assessed at FOB point, but the Commission may also compare prices at the ex-factory level, or another level if considered appropriate.

You should report prices of all goods under consideration (the goods) shipped to Australia during the investigation period.

The invoice date will normally be taken to be the date of sale. If you consider:
- the sale date is not the invoice date (see ‘date of sale’ column in question B4 below) and;
- an alternative date should be used when comparing export and domestic prices

you must provide information in section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.

B-1 For each customer in Australia to whom you shipped goods in the investigation period list:

Answer: [confidential information]

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

B-2 For each customer identified in B1 please provide the following information.

(a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

Answer: [confidential information]

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(b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

**Answer:** 【confidential information】

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(c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

**Answer:** All exports are made on FOB basis, so Flowtech and Jiabaolu retain ownership of the goods until the payment is received.

(d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

**Answer:** Please refer to Annex B-2-(d) Manufacture & Supply Agreement and Agency Agreement.

(e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

**Answer:** No price lists is used. 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

(f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (eg free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).
Public Record

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

(g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

B-3 Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Answer: 【confidential information】

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B-4 Australian sales data

Complete the ‘Australian sales’ spreadsheet in the Exporter Questionnaire spreadsheets - sinks workbook.

This data should be provided on a transaction by transaction basis.

The below table provides some explanation of the data requested in the Australian sales spreadsheet.
**Answer:** Please refer to Annex B-4 Australian Sales of Flowtech.【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

**B-5** If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see “other factors” in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

**Answer:** Please refer to Annex B-4 Australian Sales of Flowtech.

**B-6** For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

**Answer:** No such discount, rebate, allowance is offered.

**B-7** If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of each credit note if the credited amount has not been reported as a discount or rebate.

**Answer:** No credit note is issued.

**B-8** If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (eg. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred. For example:

<table>
<thead>
<tr>
<th>Import duties</th>
<th>Amount of import duty paid in Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inland transport</td>
<td>Amount of inland transportation expenses within Australia included in the selling price</td>
</tr>
<tr>
<td>Other</td>
<td>Customs brokers, port and other costs incurred (itemise)</td>
</tr>
</tbody>
</table>
Answer: No applicable to Flowtech. The transaction term is FOB.

B-9 Select two shipments, in different quarters of the investigation period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer’s purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

The Commission will select additional shipments for payment verification at the time of the visit.

Answer: Please refer to Annex B-9 Sample Transaction Documents of Australian Sales, one is declared in Chinese customs by Jiabaolu, one is by Zhongshan Flowtech.
SECTION C - EXPORTED GOODS & LIKE GOODS

C-1 Fully describe all of the goods you have exported to Australia during the investigation period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

Answer: as to the company’s product brochure, please refer to http://en.gabalu.com.cn.

C-2 List each type of goods exported to Australia (these types should cover all types listed in spreadsheet “Australian sales” - see section B of this questionnaire).

Answer: Please refer to Annex B-4 Australian Sales of Flowtech.

C-3 If you sell like goods on the domestic market, for each type of the goods that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically; and provide a detailed explanation of the differences where the domestic goods (ie. the like goods - see explanation in glossary) are not identical to goods exported to Australia.

An example of how this information can be presented is provided in the table below.

<table>
<thead>
<tr>
<th>EXPORTED TYPE</th>
<th>DOMESTIC TYPE</th>
<th>IDENTICAL?</th>
<th>DIFFERENCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product code of each model of the goods exported to Australia</td>
<td>Product code of comparable model sold on the domestic market of the country of export</td>
<td>If goods are identical indicate “YES”. Otherwise “NO”</td>
<td>Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences</td>
</tr>
</tbody>
</table>

Answer: Not applicable to Flowtech, because it does not make domestic sales.

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

Answer: as to the company’s product brochure, please refer to http://en.gabalu.com.cn.
This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

All domestic sales made during the investigation period must be listed by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you must contact the case officer before completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the Commission’s requirements. If agreement cannot be reached as to the appropriate method the Commission may not visit your company.

The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.

If, in response to question B4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices -

- you must provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.
- If you do not have any domestic sales of like goods you must contact the case officer who will explain the information the Commission requires for determining a normal value using alternative methods.

**Answer:** Not applicable, since Flowtech and Zhongshan Flowtech do not make domestic sales.
SECTION E - FAIR COMPARISON

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, ‘Australian sales’)

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ("Inland transportation costs"). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Answer: 【confidential information】

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ("Handling, loading & ancillary expenses"). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

Answer: 【confidential information】
This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales e.g., short-term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

**Answer:【confidential information】**

This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy thereby poses a serious threat to the commercial interest of the company. This information has been provided to the Authority in the confidential response.

For the interest rate of short-term loans, Jiabaolu uses 5.6%, which is the interest rate of short-term loans published by the People’s Bank of China.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed ‘Packing’.

**Answer:** the packing material for domestically sold products and exported products is basically same, so Jiabaolu does not claim this adjustment.

5. Commissions

For any commissions paid in relation to the export sales to Australia:
- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed "Commissions". Identify the general ledger account where the expense is located.

**Answer:** No commission is paid for the exports sales to Australia.

6. **Warranties, guarantees, and after sales services**

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ("Warranty & guarantee expenses" and "Technical assistance & other services"), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

**Answer:** No warranties, guarantees, and after sales services is paid for the exports sales to Australia.

7. **Other factors**

There may be other factors for which an adjustment is required if the costs affect price comparability - these are identified in the column headed "Other factors". For example, other variable or fixed selling expenses, including salesmen’s salaries, salesmen’s travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

**Answer:** 【confidential information】

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8. **Currency conversions**
In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a ‘sustained’ movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect ‘sustained’ movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.

**Answer:** Not applicable, because all payment is made in RMB.

**E-2 Costs associated with domestic sales**

**Answer:** Not applicable, Flowtech or Zhongshan Flowtech did not sell the goods in domestic market.
SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your response to this part of the questionnaire may be used by the Commission to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. The Commission may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

F-1 Third country sales data

Complete the ‘Third country’ spreadsheet in the Exporter Questionnaire spreadsheets - sinks workbook.

This data should be provided on a summary basis.

The below table provides some explanation of the data requested in the Third country spreadsheet.

Answer: Please refer to Annex F-1 Third Country Sales of Flowtech.

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

Answer: the sales to third country is produced according to the specific requirements of various customers, it is not possible to find the comparable models sold in third country for all the models sold in Australian market. For this reason, Jiabaolu considers it not appropriate to calculate the normal value based on third country sales data.
SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE

Answer: Because Flowtech and Zhongshan Flowtech are not engaged in manufacturing, the questions of Section G are not applicable to Flowtech.
SECTION H - PARTICULAR MARKET SITUATION

Answer: please refer to Jiabaolu’s answers to questions of Section H.
SECTION I - COUNTERVAILING (SUSIDISATION)

Answer: The questions of Section I are not applicable to Flowtech, because Flowtech is registered in BVI.

Zhongshan Flowtech provides the answer to the following questions when applicable.

The applicant alleges that producers in China of deep drawn stainless steel sinks have benefited from a number of subsidies granted by the Government of China (meaning any level of government - refer to the Glossary of Terms for further information), and that these subsidies are countervailable.

INVESTIGATED PROGRAMS

The following are programs that the Commission is currently investigating:

<table>
<thead>
<tr>
<th>Program Number</th>
<th>Program Name</th>
<th>Program Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program 1</td>
<td>Raw Materials Provided by the Government at Less than Fair Market Value</td>
<td>Provision of goods</td>
</tr>
<tr>
<td>Program 2</td>
<td>Research &amp; Development (R&amp;D) Assistance Grant</td>
<td>Grant</td>
</tr>
<tr>
<td>Program 3</td>
<td>Grants for Export Activities</td>
<td>Grant</td>
</tr>
<tr>
<td>Program 4</td>
<td>Allowance to pay loan interest</td>
<td>Grant</td>
</tr>
<tr>
<td>Program 5</td>
<td>International Market Fund for Export Companies</td>
<td>Grant</td>
</tr>
<tr>
<td>Program 6</td>
<td>International Market Fund for Small and Medium-sized Export Companies</td>
<td>Grant</td>
</tr>
<tr>
<td>Program 7</td>
<td>Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years</td>
<td>Income Tax</td>
</tr>
<tr>
<td>Program 8</td>
<td>Tax preference available to companies that operate at a small profit</td>
<td>Income Tax</td>
</tr>
</tbody>
</table>

Please answer the questions within parts I-1 to I-3 in relation to these programs.
1. Did your business or any company/entity related to your business receive any benefit under the following two programs during the investigation period (1 January to 31 December 2013):

- **Program 7** - Reduced tax rate for productive FIEs scheduled to operate for a period not less than 10 years
- **Program 8** - Tax preference available to companies that operate at a small profit

**Answer:** Zhongshan Flowtech did not receive any benefit under Program 7. Although Zhongshan Flowtech was granted a preferential tax ratio under Program 8, due to an operation loss in Year 2013, Zhongshan Flowtech in fact did not receive any benefit under Program 8.

2. It is our understanding that the general tax rate for enterprises in China from 1 July 2010 was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China from 1 July 2010, indicating any changes in the taxation rate over the period July 2010 – December 2013.

**Answer:** Yes, the general income tax rate is 25%.

3. If your business currently pays corporate income tax at a rate less than 25% (or whatever the rate of general tax is as discussed above), or paid at a rate less than that during the investigation period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above.

**Answer:** Yes, Zhongshan Flowtech meets the criteria as a small-profit-enterprise, the taxable income (operation profit) is reduced to 50% of total taxable income (operation profit) and the income tax rate is reduced to 20% in Year 2013, please refer to Annex A-4.3-4 Audited Reports of Year 2012 and 2013 of Zhongshan Flowtech.

4. If the income tax rate of less than the general rate does not relate to any of the programs identified above, please provide an explanation for the reduced income tax rate and answer the questions in Part I-1 above in relation to the income tax rate reduction.

For each program that you have identified above as conferring benefit on your entity, answer the following.

5. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.

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1 Refer to the Glossary of Terms for a definition of benefit in this context.
Answer: Although Zhongshan Flowtech was granted a preferential tax ratio under Program 8, due to an operation loss in Year 2013 (please refer to Profit and Loss of Audited Report of Year 2013), Zhongshan Flowtech in fact did not receive any benefit under Program 8.

6. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production, or only certain products that have undergone research and development).

Answer: The program may benefit all production.

7. Describe the application and approval procedures for obtaining a benefit under the program.

Answer: The local taxation bureau informs Zhongshan Flowtech that it is eligible for this program, then Zhongshan Flowtech prepares the application materials according to the requirements of taxation bureau and files the required information through online tax declaration system. The local taxation bureau will examine the application, and make the registration. After the registration, the tax declaration of Zhongshan Flowtech is subject to this new preferential tax treatment.

8. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of China in relation to the program.

Answer: As a small company, Zhongshan Flowtech did not keep the application form or other documentation, because the application is done through online system.

9. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Answer: There is no such fees or expenses.

10. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

Answer: (1) the company shall be defined as an enterprise with small profit (which is defined by Income Tax Law and its implemental regulations); (2) the taxable income (operation profit) is not higher than RMB60,000. If these two criteria is met, the company will be granted two preferential treatment, first, the taxable income will be reduced 50%, second, the income tax ratio will be reduced from 25% to 20%.

11. State whether your eligibility for the program was conditional on one or more of the following criteria:
a) whether or not your business exports or has increased its exports;
b) the use of domestic rather than imported inputs;
c) the industry to which your business belongs; or
d) the region in which your business is located.

**Answer:** No such criterion is required.

12. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

**Answer:** No such requirement.

13. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

**Answer:** the audited report and income tax return record the preferential tax treatment received. Please refer to Annex A-4.3-4 Audited Reports of Year 2012 and 2013 of Zhongshan Flowtech. However, the income tax return of Year 2013 has not been completed so far.

14. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

**Answer:** the audited report and income tax return record the preferential tax treatment received. Please refer to Annex A-4.3-4 Audited Reports of Year 2012 and 2013 of Zhongshan Flowtech. However, the income tax return of Year 2013 has not been completed so far.

15. To your knowledge, does the program still operate or has it been terminated?

**Answer:** Yes, this program for enterprise with small profit is still in operation. However the criteria may be changed regularly. For example, in Year 2014, the second criteria of taxable income is increased from “not higher than RMB60,000” to “not higher than RMB60,000”.

16. If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.
17. For each taxation year from 2011 to 2013, complete the "Income Tax" spreadsheet in the Exporter Questionnaire spreadsheets - sinks workbook.

**Answer:** please refer to Annex PART I-1.17 Income Tax of Zhongshan Flowtech.

18. Provide a copy, bearing the official stamp of the appropriate level of the Government of China of all

- corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the 2011, 2012 and 2013 tax years; and
- income tax instalment payment receipts, and all applicable income tax forms and schedules for the 2011, 2012 and 2013 tax years.

**Note:** If your company did not file an income tax return in any of the tax years indicated, provide an explanation stating the reasons why you were exempt from filing such a return and the applicable section[s] of the Income Tax Act under which you were exempt from doing so.

**Answer:** please refer to Annex PART I-1.18 Income Tax Return of Zhongshan Flowtech of Year 2011 and 2012. The income tax return for Year 2013 is not finished yet.

**PART I-2 GRANTS (PROGRAMS 2, 3, 4, 5 AND 6)**

It is the Commission’s understanding that the Government of China may be providing grants to enterprises in China including the following identified programs:

- **Program 2** - Research & Development (R&D) Assistance Grant
- **Program 3** - Grants for Export Activities
- **Program 4** - Allowance to pay loan interest
- **Program 5** - International Market Fund for Export Companies
- **Program 6** - International Market Fund for Small and Medium-sized Export Companies

**Answer:** not applicable, Zhongshan Flowtech does not receive any benefit under these programs. According to Annex A-4.3-4 Audited Reports of Year 2012 and 2013 of Zhongshan Flowtech, Zhongshan Flowtech did not receive any grant, subsidy, benefit from any governmental authorities. Zhongshan Flowtech did not have any outstanding loans during the investigation period.

**PART I-3 PROVISION OF COLD-ROLLED STAINLESS STEEL**
The applicant claims that public bodies (in the form of state-owned or invested enterprises (SIEs)) are supplying cold-rolled stainless steel, directly or indirectly, to manufacturers of deep drawn stainless steel sinks at less than fair value.

In this questionnaire, the term cold-rolled stainless steel refers to both coil or sheets.

The term SIE is defined in the glossary of this questionnaire.

In relation to this program, provide the following information.

**Answer:** Not applicable, because Flowtech and Zhongshan Flowtech are not engaged in manufacturing.

**PART I-4 ANY OTHER PROGRAMS**

If the Government of China, any of its agencies or any other authorised body has provided any other benefit under any other assistance programs to your entity not previously addressed, identify the program(s).

This may have included:

- the provision of grants, awards or prizes;
- the provision of goods or services at a reduced price (e.g. electricity, gas, raw materials (including, for example, zinc), transport);
- the reduction of tax payable including income tax and VAT;
- reduction in land use fees;
- loans from Policy Banks at below-market rates; or
- any other form of assistance.

**Answer:** not applicable, according to Annex A-4.3-4 Audited Reports of Year 2012 and 2013 of Zhongshan Flowtech, Zhongshan Flowtech did not receive any grant, subsidy, benefit from any governmental authorities. Zhongshan Flowtech did not have any outstanding loans during the investigation period.

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2 Refer to the Glossary of Terms for a definition of benefit in this context.
This section is an aid to ensure that you have completed all sections of this questionnaire.

<table>
<thead>
<tr>
<th>Section</th>
<th>Please tick if you have responded to all questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section A – general information</td>
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</tr>
<tr>
<td>Section B – export price</td>
<td>✔</td>
</tr>
<tr>
<td>Section C – like goods</td>
<td>✔</td>
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<tr>
<td>Section D – domestic price</td>
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<tr>
<td>Section E – fair comparison</td>
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<tr>
<td>Section F – exports to third countries</td>
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<tr>
<td>Section G – costing information</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Section H – particular market situation</td>
<td>Not applicable</td>
</tr>
<tr>
<td>Section I – countervailing (subsidisation)</td>
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<tr>
<td>Section J – declaration</td>
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<tr>
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<tbody>
<tr>
<td><strong>INCOME STATEMENT</strong></td>
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<tr>
<td><strong>TURN OVER</strong> – sales summary</td>
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</tr>
<tr>
<td><strong>AUSTRALIAN SALES</strong> – list of sales to Australia</td>
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</tr>
<tr>
<td><strong>DOMESTIC SALES</strong> – list of all domestic sales of</td>
<td>Not applicable</td>
</tr>
<tr>
<td>like goods</td>
<td></td>
</tr>
<tr>
<td><strong>THIRD COUNTRY</strong> – third country sales</td>
<td>✔</td>
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<tr>
<td><strong>PRODUCTION</strong> – production figures</td>
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<tr>
<td><strong>DOMESTIC CTMS</strong> – costs of goods sold</td>
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<tr>
<td>domestically</td>
<td></td>
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<tr>
<td><strong>AUSTRALIAN CTMS</strong> – costs of goods sold to</td>
<td>Not applicable</td>
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<tr>
<td>Australia</td>
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</tr>
<tr>
<td><strong>INCOME TAX</strong> – tax paid by your business for</td>
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<tr>
<td>tax years 2011 to 2013</td>
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<tr>
<td><strong>STEEL PURCHASES</strong> – data for all cold-rolled</td>
<td>Not applicable</td>
</tr>
<tr>
<td>stainless steel purchased during the investigation period</td>
<td></td>
</tr>
</tbody>
</table>
ANNEX LIST

1. Annex A-3.5 Affiliation Chart (FOR OFFICIAL USE ONLY)
2. Annex A-3.9 Internal Organizational Chart of Zhongshan Flowtech (FOR OFFICIAL USE ONLY)
3. Annex A-4.3-1 Chart of Account of Flowtech (FOR OFFICIAL USE ONLY)
4. Annex A-4.3-2 Profit and Loss Reports of Year 2012 and 2013 of Flowtech (FOR OFFICIAL USE ONLY)
5. Annex A-4.3-3 Chart of Account of Zhongshan Flowtech (FOR OFFICIAL USE ONLY)
7. Annex A-5-1 Income Statement of Flowtech (FOR OFFICIAL USE ONLY)
9. Annex A-6-1 Turnover of Flowtech (FOR OFFICIAL USE ONLY)
10. Annex A-6-2 Turnover of Zhongshan Flowtech (FOR OFFICIAL USE ONLY)
12. Annex B-4 Australian Sales of Flowtech (FOR OFFICIAL USE ONLY)
13. Annex B-9 Sample Transaction Documents of Australian Sales (FOR OFFICIAL USE ONLY)
14. Annex F-1 Third Country Sales of Flowtech (FOR OFFICIAL USE ONLY)
15. Annex PART I-1.17 Income Tax of Zhongshan Flowtech (FOR OFFICIAL USE ONLY)
16. Annex PART I-1.18 Income Tax Return of Zhongshan Flowtech of Year 2011 and 2012 (FOR OFFICIAL USE ONLY)
CERTIFICATE

Having made due enquiry, I hereby certify that the information contained in this submission is true, complete and correct to the best of my knowledge and belief, on the basis of the record available and generally maintained by the company, and nothing material has been concealed or misrepresented. I am fully aware that in the event of any data/information/claim found to be contrary to the records maintained by the company, the Designated Authority would have full discretion to reject the entire information and make appropriate assessment.

Date: May 4th, 2014

(Signature)

Robert Su, General Manager

(Name/Title)