



Australian Government
Department of Industry,
Science and Resources

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Anti-Dumping Commission

Exporter Questionnaire

Case number: 642

Product: Hot rolled structural steel sections

From: Japan, the Republic of Korea, Taiwan (except by Feng Hsin Steel Co Ltd, T S Steel Co., Ltd and Tung Ho Steel Enterprise Corporation) and the Kingdom of Thailand

Review period: 1 April 2023 to 31 March 2024 (the review period)

Response due by: 10 May 2024 **Extended to 24 May 2024**

Email enquiries to: investigations2@adcommission.gov.au

Anti-Dumping Commission website: www.adcommission.gov.au

Responses to the exporter questionnaire must be submitted via SIGBOX. Please contact the commission on the above email address to request access to SIGBOX.

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INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the commission) is conducting a review into hot rolled structural steel sections (HRS) exported to Australia from Japan, the Republic of Korea, Taiwan (except by Feng Hsin Steel Co Ltd, T S Steel Co., Ltd and Tung Ho Steel Enterprise Corporation) and the Kingdom of Thailand.

The commission will use the information you provide to determine normal values and export prices over the review period (the period).

The commission will collect and use information in accordance with the commission's Collection and Use of Information Policy.

If you do not manufacture the goods

If you play a role in the export of the goods but do not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods), it is important that you forward a copy of this questionnaire to the relevant manufacturers and inform the commission of the contact details for these manufacturers **immediately**.

The commission will still require your company to complete this exporter questionnaire except Section G – Cost to make and sell.

What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the commission to verify the information, we may deem your company to be an uncooperative exporter. In that case the commission must determine a dumping margin having regard to all relevant information.

Therefore, it is in your interest to provide a complete and accurate response to this exporter questionnaire, capable of verification.

Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the commission, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the commission will have regard to:

- the commission's responsibility to conduct the case in a timely and efficient manner
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date
- ordinary business practices or commercial principles
- the commission's understanding of the relevant industry
- previous correspondence and previous dealings with your company and
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at <https://www.legislation.gov.au/Details/F2015L01736>.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part. For example, you may be granted an extension to submit all sections except for Section A or you may be granted a shorter extension than you requested.

A summary of any requests and grants of extensions to submit a response to this exporter questionnaire will be published in the public record.

Submitting a response to the exporter questionnaire

Responses to the exporter questionnaire should be lodged via SIGBOX, a secure online document repository. Please contact the commission on the email address listed on the cover page to request access to SIGBOX.

In submitting the response to the exporter questionnaire, you must answer all questions, include all attachments and spreadsheets, and provide a non-confidential version of your response to this exporter questionnaire.

If your response to this exporter questionnaire contains major deficiencies that, in the Commissioner's view, cannot be quickly and easily rectified in a further response, then your company may be considered as an uncooperative exporter.

Confidential and non-confidential responses

You are required to lodge a confidential version (OFFICIAL: Sensitive) and a non-confidential version (for publishing on the public record) of your response to this exporter questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "OFFICIAL: Sensitive" or "PUBLIC RECORD".

All information provided to the commission in confidence will be treated accordingly. The public record version of your questionnaire will be placed on the public record and must contain sufficient detail to allow a reasonable understanding of the substance of the information without breaching confidentiality.

Please be aware that, if at any stage during this review you become aware that you have inadvertently received confidential information submitted by another party, you have a responsibility to:

- Notify the commission
- Delete the information from your system and
- Refrain from using, sharing or retaining the information in any way.

A person is not required to provide a summary for the public record if the commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All questionnaires are required to have a bracketed explanation of deleted or blacked out information for the public record version of the questionnaire. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the commission may disregard the information in the submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be requested to resubmit your response with the required level of detail or, if deadlines have passed, the commission may not have regard to it.

Verification of the information that you supply

The commission may wish to conduct a verification of your questionnaire response for completeness, relevance and accuracy of the information to your company's records.

The verification is not meant to be a chance for you to provide new or additional information. The commission expects your response to the questionnaire to be relevant, complete and accurate.

The verification may include Commission staff visiting your company to conduct on onsite verification. Any onsite verification typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with the planning of a verification, please contact the commission as soon as possible for a potential verification date to be scheduled.

The onsite verification is usually conducted over 4 days. However, in complex cases, it may be scheduled over 5 days. A verification will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial

accountant, production manager and sales staff. A tour of the manufacturing facility may also be required during the verification.

The commission may elect to undertake an alternative verification methodology, rather than an onsite verification, to satisfy itself of the completeness, relevance and accuracy of the data.

Note that the commission may disregard any data or information that is not verified, including new or additional information provided after the verification visit.

A report will be prepared following the verification, which details the outcomes of the verification. This report will be placed on the public record and may include the publication of the preliminarily-assessed dumping margin. The commission considers that the dumping margin is not confidential information, but rather an aggregate figure derived from confidential data.

You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

For information on the commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the commission's website.

Important instructions for preparing your response

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.
- All questions must be answered in English. An English translation must be provided for documents not originally in English. To the extent that the foreign language version differs, the English translation will be given priority as a matter of interpretation in Australia.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-4.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the commission's verification of your data.
- If you cannot present electronic data in the requested format contact the commission as soon as possible.
- Where possible, electronic data should be shared with the commission via SIGBOX, a secure online document repository. Please contact the commission to request access to SIGBOX if required.

CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A Company information	<input checked="" type="checkbox"/>
Section B Export sales to Australia	<input type="checkbox"/>
Section C Exported goods & like goods	<input checked="" type="checkbox"/>
Section D Domestic sales	<input checked="" type="checkbox"/>
Section E Due allowance	<input checked="" type="checkbox"/>
Section F Third country sales	<input checked="" type="checkbox"/>
Section G Cost to make and sell	<input checked="" type="checkbox"/>
Exporter's declaration	<input checked="" type="checkbox"/>

EXPORTER'S DECLARATION

I hereby declare that Dragon Steel
have completed the attached questionnaire
made due inquiry, certify that the information
this submission is complete and correct
knowledge and belief.

Name : Cheng-Mou LEE

Signature : *Cheng-Mou Lee*

Position in

Company : Vice President of Commerce

Date : *2014.05.20*

Non-confidential version of this response



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Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	<input type="checkbox"/>
B-2.2 Australian sales source	<input checked="" type="checkbox"/>
B-4 Upwards sales (in Exhibit D-4)	<input checked="" type="checkbox"/>
B-5 Upwards selling expenses (in Exhibit D-5)	<input checked="" type="checkbox"/>
D-2 Domestic sales	<input checked="" type="checkbox"/>
D-2.2 domestic sales source	<input checked="" type="checkbox"/>
F-2 Third country sales	<input checked="" type="checkbox"/>
F-2.2 third country sale source	<input checked="" type="checkbox"/>
G-3 Domestic CTM	<input checked="" type="checkbox"/>
G-3.2 domestic CTM source	<input checked="" type="checkbox"/>
G-4.1 SG&A listing	<input checked="" type="checkbox"/>
G-4.2 Dom SG&A calculation	<input checked="" type="checkbox"/>
G-5 Australian CTM	<input type="checkbox"/>
G-5.2 Australian CTM source	<input type="checkbox"/>
G-7.2 Raw material CTM	<input checked="" type="checkbox"/>
G-7.4 Raw material purchases	<input checked="" type="checkbox"/>
G-8 Upwards costs	<input checked="" type="checkbox"/>
G-10 Capacity Utilisation	<input checked="" type="checkbox"/>

GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

The goods subject to anti-dumping measures (the goods) are:

Hot rolled structural steel sections in the following shapes and sizes, whether or not containing alloys:

- universal beams (I sections), of a height greater than 130 mm and less than 650 mm
- universal columns and universal bearing piles (H sections), of a height greater than 130 mm and less than 650 mm
- channels (U sections and C sections) of a height greater than 130 mm and less than 400mm and
- equal and unequal angles (L sections), with a combined leg length of greater than 200 mm.

Sections and/or shapes in the dimensions described above, that have minimal processing, such as cutting, drilling or painting do not exclude the goods from coverage of the investigation.

The goods subject to the anti-dumping measures do not include:

- hot rolled ‘T’ shaped sections, sheet pile sections and hot rolled merchant bar shaped sections, such as rounds, squares, flats, hexagons, sleepers and rails and
- sections manufactured from welded plate (e.g. welded beams and welded columns).

Model Control Code

Details of the model control code (MCC) structure for the goods are detailed in the table below. Export sales data (Section B-2), domestic sales data (Section D-2) and cost to make and sell data (Section G-3, G-4 & G-5) submitted in this response must follow this MCC structure. At a minimum, the data must report sales and cost data separately for each of the mandatory MCC categories identified by the commission. [\(DSC made minor edits on MCC, as shown below in blue.\)](#)

Category	Sub-category	Identifier	Sales data	Cost data
Prime	Prime	P	Mandatory	Not applicable
	Non-prime	N		
Shape	Universal Beams (‘I’ sections)	I	Mandatory	Mandatory
	Universal Columns and Universal Bearing Piles (‘H’ sections)	H		
	Channels (‘U’ or ‘C’ sections)	C		
	Angles (Equal and Unequal Angle sections)	A		
Minimum yield strength	Less than 265 MPa	A	Mandatory	Mandatory
	Greater than or equal to 265 MPa	B		
Tensile strength	Less than 400 MPa	A	Optional	Optional
	Greater than or equal to 400 MPa and less than 450 MPa	B		
	Greater than or equal to 450 MPa and less than 500 MPa	C		
	Greater than or equal to 500 MPa	D		
Thickness	Minimum cross-sectional thickness less than 11 mm	1	Optional	Optional
	Minimum cross-sectional thickness greater than or equal to 11 mm	2		
	Minimum cross-sectional thickness greater than 25 mm	3		
Dimension	Beam or section height less than 230 mm	S	Optional	Optional

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Category	Sub-category	Identifier	Sales data	Cost data
	Beam or section height equal to or greater than 230 mm	L		
Weldability	Carbon equivalent value specified in relevant standard	Y	Optional	Optional
	Carbon equivalent value not specified in relevant standard	N		

In constructing a MCC, use a "-" between each category. For example, a prime 'I' section universal beam with:

- minimum yield strength of 400 MPa
- tensile strength of 400 MPa
- 10 mm cross sectional thickness
- height of 200 mm and
- specified carbon equivalent value,

would have an MCC of **P-I-B-B-1-S-Y**.

The MCCs will be used to match export models to the identical or comparable domestic models. In addition, the MCCs will be used to determine the profitability of domestic sales in the ordinary course of trade by comparing domestic selling prices to the corresponding cost to make and sell. The MCC may also be used to compare the export price to the cost to make the exported model as part of the constructed normal value.

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be considered deficient.

SECTION A COMPANY INFORMATION

A-1 Company representative and location

1. Please nominate a contact person within your company:

Name:

Position in the company:

Telephone:

E-mail address:



2. If you have appointed a representative, provide their contact details:

Name: *John Bracic*

Address: *PO Box 3026 Manuka, ACT 2603*

Telephone: *+61 (0)499 056 729*

E-mail address: *john@jbracic.com.au*

In nominating a representative, you are granting authority to the commission to discuss matters relating to the case with the nominated representative, including your company's confidential information.

3. Please provide the location of the where your company's financial records are held.

DSC's accounting records are held at No.100, Longchang Rd., Longjing Dist., Taichung City 434, Taiwan.

4. Please provide the location of the where your company's production records are held.

DSC's production records are held at No.100, Longchang Rd., Longjing Dist., Taichung City 434, Taiwan.

5. Please provide the location of your company's production plant manufacturing the goods under consideration.

The production plant manufacturing the goods is located at No.100, Longchang Rd., Longjing Dist., Taichung City 434, Taiwan.

A-2 Company information

1. What is the legal name of your business?

Dragon Steel Corporation ("DSC").

2. Does your company trade under a different name and/or brand? If yes, provide details.

DSC does not use other business names to sell goods.

3. Was your company ever known by a different legal and/or trading name? If yes, provide details

DSC does not use other business names to sell goods.

4. Provide a list of your current board of directors and any changes in the last two years.

A list of current board of directors is provided as follows:

<i>Chinese Name</i>	<i>English Name</i>
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

There has been no change of board members in the last two years, except that [REDACTED] [change in board member].

5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide:
- (a) A diagram showing the complete ownership structure and
 - (b) A list of all related companies and its functions

*DSC is a wholly-owned subsidiary of China Steel Corporation (“CSC”). Please refer to **Confidential Exhibit A-2.5** for a diagram of CSC ownership structure and a list of these related companies with their functions.*

6. Is your company or parent company publicly listed?

If yes, please provide:

- (a) The stock exchange where it is listed and
- (b) Any principle shareholders¹

If no, please provide:

- (a) A list of all principal shareholders and the shareholding percentages.

DSC itself is not publicly listed, but DSC is a wholly-owned subsidiary of China Steel Corporation (“CSC”) who is a publicly traded company listed on the Taiwan Stock Exchange Corporation. That is, CSC is the only shareholder of DSC.

*DSC provides the 10 largest shareholders of CSC as of August 2023 in **Confidential Exhibit A-2.6**.*

7. What is the overall nature of your company’s business? Include details of the products that your company manufactures and sells and the market your company sells into.

DSC is a producer of steel products. The steel products manufactured and sold by DSC are H-Sections, Flat Steel, Billet and Checkered H-Sections.

DSC produces and sells the goods in the domestic market mainly. DSC also exports the goods to other countries, including, [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED].

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:
- (a) produce or manufacture
 - (b) sell in the domestic market
 - (c) export to Australia and
 - (d) export to countries other than Australia.

¹ Principal shareholders are those who are 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.

The goods sold by DSC are manufactured by DSC and all sales were done in the name of DSC in domestic market and foreign markets. During the review period, DSC did not export the goods to Australia.

9. Provide your company's internal organisation chart.

*Please refer to **Confidential Exhibit A-2.9** for DSC's internal organization chart.*

10. Describe the functions performed by each group within the organisation.

DSC is organized into four principal divisions: (1) Production, (2) Commercial, (3) Finance, and (4) Administration. Please refer to Exhibit A-2.9. The functions of each division and some more distinct sections under each division are elaborated as follows:

(1) Production Division:

DSC's Production Division is responsible for DSC's production activities and plant-management. There are three departments directly responsible for manufactures within this division:

- a. The Iron-Making Department operates DSC's blast furnaces.*
- b. The Steel-Making Department operates DSC's basic oxygen furnaces and electric-arc furnaces, and casts molten steel into slabs, blooms or billets.*
- c. The Rolling Mill Department operates the rolling of steel slabs, blooms, and billets produced by the Steel-Making Department, making them into plates, coils, beams and other hot-rolled products.*

Rolling Mill Department is comprised of two mills:

- (a) The Section Mill, a "Universal Mill" used for production of the goods, i.e., H-Beams or H-Sections, as well as Narrow Plates with width between 300 and 928 millimetres.*
- (b) The Hot Strip Mill, which is for hot-rolled coils production.*

In addition, DSC's Production division also encompasses Utilities, Plant Engineering and Maintenance, Production Planning, Industrial Safety and Hygiene, Electrical and Control, Environmental-protection, and Metallurgical Departments.

(2) Commercial Division

DSC's Commercial Division is responsible for DSC's procurement of input materials, and for sales and marketing activities. Domestic and export sales of the goods are handled by the Sales Section within DSC's Marketing Department under this division.

(3) Finance Division

DSC's Finance Division is responsible for DSC's financial and accountings, as well as for development, operation and maintenance of our information systems.

(4) Administration Division

DSC's Administration Division is responsible for general administration at DSC, comprised of Human Resources and Public Affairs Departments.

11. Does your company produce brochures, pamphlets or other promotional material? If yes, please provide them.

*DSC's product catalogue is provided in **Public Exhibit A-2.11**.*

A-3 General accounting information

1. What is your financial accounting period?

DSC's accounting period is calendar year (from 1st January to 31st December).

2. Are your financial accounts audited? If yes, who is the auditor?

Yes, DSC's financial accounts are audited by Deloitte.

3. What currency are your accounts kept in?

DSC's accounts are kept in New Taiwan Dollar (NTD).

4. What is the name of your financial accounting system?

DSC uses a typical Enterprise Resource Planning ("ERP") system developed by [REDACTED] for financial accounting system.

5. What is the name of your sales system?

DSC uses a typical Enterprise Resource Planning ("ERP") system developed by [REDACTED] for sales system.

6. What is the name of your production system?

DSC uses a typical Enterprise Resource Planning ("ERP") system developed by [REDACTED] for production system.

7. If your financial accounting, sales and production systems are different, how do the systems interact? Is it electronically or manual? Please provide a detailed explanation and include diagrams.

As responded to Q.4-6, DSC uses the same ERP system to maintain and manage the systems, as well as to generate a variety of reports.

*The ERP system runs electronically. Please refer to **Confidential Exhibit A-3.7** for the chart demonstrating how the production, sales and financial accounting system and their modules interact. A detailed explanation is provided as follows:*

Financial Accounting, Production and Sales are the three main modules under the ERP system. Data derived from daily business were classified by its nature and divided into each module, and each module has sub-systems collecting and processing each data, e.g. the sales system consists of pricing, order input, shipment and settlement sub-systems.

Production module collects data of quantity of production from all factories, then inducts and cumulates the raw data into different production centres. Data from purchasing system is processed the same way. Such inducted data would then be sent at the same time to costing (sub-) system or inventory system respectively, and the accounting module.

Sales module handles sales (orders), shipment and settlement. Data processed under this module would be input into Financial Accounting module, and any cost-related, expense-related data would also be sent into costing (sub-)system and expense system respectively.

Financial Accounting module is the final stop of all data collected and processed by the other modules. Data processed by costing (sub-)system would also be input into Financial Accounting module (recorded in the Ledger). After the expenses incurred from fixed assets and Personnel was input into the Financial Accounting Module, statements comprising the Financial Statements would finally be produced.

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

DSC's financial accounting policy and practices are in accordance with the generally accepted accounting principles ("GAAP") practiced in Taiwan.

9. Have there been any changes to your accounting practices and/or policies over the last two years? If yes, please provide details.

No. DSC's accounting methods did not change during the last two years.

A-4 Financial Documents

1. Please provide the two most recently completed annual reports and/or financial statements for your company and any other related companies involved in the production and sale of the goods.

Please refer to:

Confidential Exhibit A-4.1.a: DSC's audited financial statements for 2023 and 2022.

Public Exhibit A-4.1.b: CSC's audited financial statements for 2023 and 2022.

Public Exhibit A-4.1.c: CSSC's audited financial statements for 2023 and 2022.

Confidential Exhibit A-4.1.d: CSGT's audited financial statements for 2023 and 2022.

Because DSC is not a public company, DSC is not required to publish English version of Audited Financial Statements by relevant regulations. We therefore provide the English translation of the four statements (balance sheet, income statement, cash flow statement, and statement of changes in equity) listed in Exhibit A-4.1.a.

2. If the financial statements in A-4.1 are audited, provide a copy of the audit management letters from your auditor accompanying the audited financial statements.

The independent auditors' report to DSC is provided in Confidential Exhibit A-4.1.a.

3. If the financial statements in A-4.1 are unaudited, provide for each company:
- (a) the tax returns relating to the same period and
 - (b) reconciliation of the revenue, cost of goods sold, and net profit before tax between the financial statements and tax returns.

Not applicable, as the financial reports provided in A-4.1 are audited.

4. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for:
- (a) the most recent financial year and
 - (b) the period.

DSC does not have divisional, factory/facility or product-specific income statements The income statements are for the company as a whole.

*Please refer to **Confidential Exhibit A-4.4** for DSC's Internal Income Statements for 2023 and the review period.*

5. If the period is different to your financial period, please provide:
- (a) Income statements directly from your accounting information system covering the most recent financial period and the period or
 - (b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

*Please refer to **Confidential Exhibit A-4.4** for DSC's Internal Income Statements for 2023 and the review period.*

6. Please provide a copy of your company's trial balance (in Excel) covering the period and the most recent financial year.

*Please refer to **Confidential Exhibit A-4.6** for DSC's trial balance for 2023 and the review period.*

7. Please provide your company's chart of accounts (in Excel).

*Please refer to **Confidential Exhibit A-4.7** for DSC's chart of accounts.*

If any of the documents are not in English, please provide a complete translation of the documents.

SECTION B

EXPORT SALES TO AUSTRALIA

DSC exported no volumes of the goods to Australia during the review period, so DSC does not fill out section B of the questionnaire.

B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and representatives (e.g. agents) including:
 - (a) Marketing and advertising activities
 - (b) Price determination and/or negotiation process
 - (c) Order placement process
 - (d) Order fulfilment process and lead time
 - (e) Delivery terms and process
 - (f) Invoicing process
 - (g) Payment terms and process
2. In what currency do you invoice your customers for goods exported to Australia? If it is not in your local currency:
 - (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details
 - (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details
 - (c) How is the exchange rate determined in your accounting system and how often is it updated?
3. Are there any customers of the goods exported to Australia related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.
4. If sales are in accordance with price lists or price extras list, provide copies of these lists.
5. Do your export selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.
6. Did you provide on-invoice discounts and/or off-invoice rebates to any customer or an associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide a description and explain the terms and conditions that must be met by the customer to obtain the discount and/or rebate.
7. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.
8. In establishing the date of sale, the commission will normally use the date of invoice as it best reflects the material terms of sale. If you are making a claim that a different date should be taken as the date of sale:
 - (a) What date are you claiming as the date of sale?
 - (b) Why does this date best reflect the material terms of sale? Any claim for an adjustment would need to substantively address:
 - whether, why, and to what degree, the considerations in determining price differed between export and domestic sales
 - whether the materials cost differs at the time of subsequent invoicing of that export sale (compared to domestic sale invoices in the same invoice month of that export sale) having regard to factors such as the production schedules for domestic and export; and lead times for purchasing main input materials
 - whether contracts were entered into for the materials purchases, and materials inventory valuation.

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

B-2 Australian sales listing

1. Complete the worksheet named “B-2 Australian sales”
 - This worksheet lists all sales (i.e. transaction by transaction) exported to Australia of the goods invoiced within the period. This includes exports to Australia sold through a domestic customer.
 - This worksheet must also include exports of the goods that have been exempted from anti-dumping duties under section 8(7) of the *Customs Tariff (Anti-Dumping) Act 1975*.²
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If there are any direct selling expenses incurred in respect of the exports to Australia not listed in the spreadsheet, add a column. For example, if the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred.
2. Complete worksheet “B-2.2 Australian sales source” showing the relevant source of the data used for each column of worksheet “B-2 Australian sales”.

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

B-3 Sample export documents

1. Select the two largest invoices by value and provide the following documentation:
 - Contracts
 - Purchase order and order confirmation
 - Commercial invoice and packing list
 - Proof of payment and accounts receivable ledger
 - Documents showing bank charges
 - Invoices for inland transport
 - Invoices for port handling and other export charges
 - Bill of lading
 - Invoices for ocean freight & marine insurance (if applicable)
 - Country of origin certificates (if applicable)

If the documents are not in English, please provide a translation of the documents.

2. For each document, please annotate the documents or provide a table reconciling the details in the “B-2 Australian sales” listing to the source documents in B-3.1.

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

B-4 Reconciliation of sales to financial accounts

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in B-2, D-2 and F-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-4 Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “B-4 Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:

² Certain types of HRS are exempt from the measures ([ADN No 2019/153](#)).

- the name of the source document, including the relevant page number, in column D of the worksheet and
- highlight or annotate the amount shown in the source document and
- provide the account code and sub-account code (if applicable) at column E of the worksheet.

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

B-5 Reconciliation of direct selling expenses to financial accounts

1. Please complete the worksheet named “B-5 Upwards selling expense” to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-5 Upwards selling expense” worksheet. If the documents include spreadsheets, all formulas used must be retained.
3. For any amount in the “B-5 Upwards selling expense” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column C of the worksheet and
 - highlight or annotate the amount shown in the source document and
 - provide the account code and sub-account code (if applicable) at column D of the worksheet.

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

SECTION C EXPORTED GOODS & LIKE GOODS

The commission considers the MCC structure in and of itself is not likely to be commercially sensitive information. Any claim that disclosing the MCC information is confidential or would adversely affect your business or commercial interests must be raised by lodging a submission as soon as practicable, but no later than the time this questionnaire is due.

C-1 Models exported to Australia

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

During the review period, DSC did not export the goods to Australia.

*If DSC had exported the goods to Australia, the goods would have conformed to the specification Australian / New Zealand Standard (AS/NZS) 3679.1, Structural Steel Hot Rolled Sections. Please see pages 36, 37, and 52 of **Public Exhibit A-2.11** product catalogue for technical details and physical property of the goods that DSC can offer for AS/NZS 3679.1.*

2. Provide a list of MCCs of the goods exported to Australia. This must cover all MCCs listed in the Australian sales listing in B-2.
 - This list must be disclosed in the public record version of the response.

During the review period, DSC did not export the goods to Australia, so this question is not applicable to DSC.

C-2 Models sold in the domestic market

1. Fully describe all like goods your company sold on the domestic market during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the like goods sold on the domestic market.

*During the review period, the specifications of the like goods DSC sold in domestic market are listed in **Confidential Exhibit C-2.1**.*

*Please refer to Exhibit A-2.11, the product catalogue and refer to the sample test certificates provided in **Confidential Exhibits D-3.1.a and D-3.1.b** for further technical details.*

2. Provide a list of MCCs of like goods sold on the domestic market. This must cover all MCCs listed in the domestic sales listing in D-2.
 - This list must be disclosed in the public record version of the response.

*Please see **Public Exhibit C-2.2**.*

During the review period, DSC did not export the subject goods to Australia.



[REDACTED]

[REDACTED]

[DSC's views on comparable domestic grades of subject goods]

In Confidential Exhibit C-2.3, DSC added a column to Exhibit C-2.2 to indicate whether the MCC sold in the domestic market is comparable to the goods sold in Australia. ([REDACTED]) [coding for identification]

C-3 Internal product codes

1. Does your company use product codes or stock keeping unit (SKU) codes?

If yes:

- (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
- (b) Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
- (c) Provide a table of showing the product or SKU codes for each MCC.

If no:

- (a) Provide details on the method used to identify the MCC in the sales and cost spreadsheets.

DSC does not set out product codes for SKU purposes. In terms of H Beam Steel, DSC only have [REDACTED] inventory codes, as shown below. [REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

DSC identifies MCC through inventory codes, sales orders, and production records.

Identification for each section of the MCC is as follows:

Prime and Shape – [REDACTED]

Minimum yield strength and tensile strength – [REDACTED]

Thickness and dimension - [REDACTED]

SECTION D DOMESTIC SALES

D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:
 - (a) Marketing and advertising activities
 - (b) Price determination and/or negotiation process
 - (c) Order placement process
 - (d) Order fulfilment process and lead time
 - (e) Delivery terms and process
 - (f) Invoicing process
 - (g) Payment terms and process

DSC's sales team normally contacts its home-market customers for subject H-Beam products on a periodic basis by telephone or email. In the course of these discussions, DSC sales personnel will provide a quotation to the customer describing the quantity, price and expected delivery date for the specific products requested by the customer. The terms of the quotation are then recorded by DSC's sales personnel in an internal approval memorandum, which would be reviewed by the sales team's managers. After the "internal approval memorandum" is approved, DSC generates an order number. The customers can then use DSC's e-commerce system to set out the intended specification, quantity and delivery schedule.

When production is complete and the products are ready for delivery, DSC notifies the customer and issues a delivery note. Upon delivery, DSC issues the GUI (which is the standard invoice required by the Taiwanese value-added tax law) for the transaction.

Please see Confidential Exhibits D-1.1.a and D-1.1.b for Flowchart of Domestic Sales Process and Chart of Domestic Distribution Channel. If the customer requires DSC to arrange delivery, DSC adds the inland freight to the goods value and such expense is included in the total billed value.

2. Are any domestic customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

During the review period, there were only [REDACTED] customers related to DSC, i.e. [REDACTED] [REDACTED], accounting to [REDACTED] % of total quantity sold in the domestic market during the review period.

DSC's terms of sale and prices [REDACTED] [REDACTED] [domestic terms of sale]

3. If sales are in accordance with price lists or price extras list, provide copies of these lists.

As explained above, price negotiation and the sales are made on a case-by-case basis.

4. Do your domestic selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

DSC's selling price

[Redacted]

[Confidential terms of sale]

Month				
202210				
202211				
202212				
202301				
202302				
202303				
202304				
202305				
202306				
202307				
202308				
202309				

5. Did you provide on-invoice discounts and/or off-invoice rebates to the customer or an associate of the customer in relation to the sale of the like goods during the period? If yes, provide a description; and explain the terms and conditions that must be met by the customer to obtain the discount and/or rebate.

DSC did not provide on-invoice discounts to the domestic sales of the goods.

During the review period, DSC granted a number of off-invoice discounts, rebates and price adjustments to the domestic sales of the goods, as follows:

- 1.

[Redacted] *Please see Confidential Exhibit D-1.5.a for a schedule setting out the quantity discounts for the domestic market during the review period.* [Redacted]

- 2.

[Redacted]

3. [REDACTED]:

[REDACTED]

4. [REDACTED]:

[REDACTED]

5. [REDACTED]:

[REDACTED]

6. [REDACTED]:

[REDACTED]

7. [REDACTED]:

[REDACTED]

A list of the Reason Codes used by DSC in the normal course of business, [REDACTED] [REDACTED] is provided in Confidential Exhibit D-1.5.b.

[REDACTED]

6. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the like goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

Please see DSC's reply above in D-1.5. When these discounts/rebates/billing adjustments occurred, DSC issued credit notes or debit notes to the concerned domestic customers.

7. In establishing the date of sale, the commission will normally use the date of invoice as it best reflects the material terms of sale. If you are making a claim that a different date should be taken as the date of sale:

- (a) What date are you claiming as the date of sale?
- (b) Why does this date best reflect the material terms of sale? You would need to substantively address:
 - whether, why, and to what degree, the considerations in determining price differed between export and domestic sales

- whether the materials cost differs at the time of subsequent invoicing of that export sale (compared to domestic sale invoices in the same invoice month of that export sale) having regard to factors such as the production schedules for domestic and export; and lead times for purchasing main input materials
- whether contracts were entered into for the materials purchases, and materials inventory valuation.

The date of sale for domestic sales is reported as the invoice date as instructed.

D-2 Domestic sales listing

1. Complete the worksheet named “D-2 Domestic sales”
 - This worksheet lists all domestic sales (i.e. transaction by transaction) of like goods invoiced within the period, even if they are models not exported to Australia
 - If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-2 above, add a column for each item. For example, certain other selling expenses incurred.

DSC's domestic sales listing is provided in Confidential Exhibit D-2.

2. Complete worksheet “D-2.2 domestic sales source” listing the source of the data used for each column in worksheet “D-2 domestic sales”.

Please refer to Confidential Exhibit D-2.2 for Domestic Sales Source.

D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:
 - Contracts
 - Purchase order and order confirmation
 - Commercial invoice and packing list
 - Proof of payment and accounts receivable ledger
 - Documents showing bank charges
 - Delivery invoices

If the documents are not in English, please provide a translation of the documents.

Please see Confidential Exhibit D-3.1.a and Confidential Exhibit D-3.1.b for domestic sales documentation in relation to these two sales: Invoice number [REDACTED] and Invoice number [REDACTED].

2. For each document, please annotate the documents or provide a table reconciling the details in the “D-2 Domestic sales” listing to the source documents in D-3.1.

Please see Confidential Exhibit D-3.1.a and Confidential Exhibit D-3.1.b for annotations.

D-4 Reconciliation of sales to financial accounts

This section is not required if you have completed B-4.

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in D-2 and F-2 are complete.

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- You must provide this list in electronic format using the template provided.
- Please use the currency that your accounts are kept in.
- If you have used formulas to complete this worksheet, these formulas must be retained.

*Please refer to **Confidential Exhibit D-4 Upward Sales**.*

2. Please provide all documents, other than those in A-4, D-2 and F-2, required to complete the “B-4 Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.

*The source documents have been included in **Confidential Exhibit D-4**.*

3. For any amount in the “B-4 Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column D of the worksheet and
 - highlight or annotate the amount shown in the source document and
 - provide the account code and sub-account code (if applicable) at column E of the worksheet.

*DSC has done so in **Confidential Exhibit D-4**.*

*As for Reconciliation of direct selling expense, please refer to **Confidential Exhibit D-5 Upwards Selling Expenses**.*

SECTION E DUE ALLOWANCE

E-1 Credit expense

1. Do you provide credit to any domestic customers in relation to sales of like goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:
 - (a) Do you provide a rolling credit facility to your domestic customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
 - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
 - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover
 - (b) Do you have short term borrowings or an overdraft facility denominated in your local currency? If yes, what is the interest rate, or average of interest rates?
 - (c) Do you have term deposits or other cash product (e.g. bonds) denominated in your local currency? If yes, what is the interest rate, or average of interest rates?

Credit terms have been identified in DSC's domestic sales in Confidential Exhibit D-2. Please see Confidential Exhibit E-1.1 for DSC's NTD short-term borrowings during the review period and the POR average rate.

2. Do you provide credit to any Australian customers in relation to sales of the goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:
 - (a) Do you provide a rolling credit facility to your Australian customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
 - i. Calculate the accounts receivable turnover for each Australian customer (credit sales divided by the average accounts receivable).
 - ii. Calculate the average credit term for each Australian customer by dividing 365 by the accounts receivable turnover
 - (b) If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):
 - i. Do you have short term borrowings or an overdraft facility denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?
 - ii. Do you have term deposits or other cash product (e.g. bonds) denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

E-2 Packaging

1. What is the packaging used for your domestic sales of like goods?

There are two packing types for domestic sales, as further explained below in E.2.3.

2. What is the packaging used for your export sales of the goods to Australia?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

3. If there are distinct differences in packaging between your domestic and export sales:
 - (a) Provide details of the differences
 - (b) Calculate the weighted average packaging cost for each model sold on the domestic market
 - (c) Calculate the weighted average packaging cost for each model exported to Australia

*There are two packing types for each domestic and export sales respectively, enumerated from ADM, BDM, AEX and BEX for this submission denoting the main packing methods. For packing, DSC packs seven H-Sections, maximum, for a bundle, no matter of domestic or export sales. The differences were how many packing materials are used. Please see **Confidential Exhibit E-2.3** for the packing types and the number of steel strips for a bundle in domestic sales and export sales.*

*DSC uses the number of strips used as weighting factor to calculate packaging cost by taking total packing cost divided from equivalent quantity sales quantity (i.e. total quantity H-section sold multiplying the weighting factors) and then getting unit packaging costs for each packing type, as detailed in **Confidential Exhibit E-2.3**.*

E-3 Delivery

1. Are any domestic sales of like goods delivered to the customer? If yes, how were the transportation costs calculated in the domestic sales listing in D-2?

DSC reports inland transportation costs on an actual basis. DSC incurred freight expenses in transporting subject merchandise from its factories to the customers when the delivery term is "Delivered". The inland freight charges are determined according to the distance to the destination and weight of the shipment. DSC hired outside carriers to transport the subject merchandise. It does not use its own vehicles. The unit inland freight is reported in NT\$/kg.

The general ledger account is [REDACTED], inland freight-direct selling expense.

2. What are the delivery terms of the export sales of the goods to Australia?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period. If DSC had sales to Australia during the review period, the delivery term would have been [REDACTED].

3. If the delivery terms of the Australian sales includes delivery to the port, how was the inland transport calculated in the Australian sales listing in B-2?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

4. If the delivery terms of the Australian sales includes port handling and other export charges, how were these expenses calculated in the Australian sales listing in B-2?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

5. If the delivery terms of the Australian sales includes ocean freight, how was the ocean freight cost calculated in the Australian sales listing in B-2?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

6. If the delivery terms of the Australian sales includes marine insurance, how was the marine insurance calculated in the Australian sales listing in B-2?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

7. If the delivery terms of the Australian sales includes delivered duty paid, how were the Australian importation and delivery costs calculated in the Australian sales listing in B-2?

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

E-4 Other direct selling expenses

1. Do you provide sales commissions for domestic sales of like goods and/or export sales of the goods? If yes, provide details.

DSC provides no commission for domestic sales and/or export sales.

2. Are there any differences in tax liability between domestic and export sales? If yes, provide details, for example:

- What is the rate of value-added tax (VAT) on sales of the goods and like goods?
- How is VAT accounted for in your records in relation to sales of the goods and like goods?
- Do you receive a VAT refund in relation to sales of the goods and/or like goods?
- Do you receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods?

The value-added sales tax for domestic sales is five percent (5%), and 0% for export sales. According to Taiwan's VAT law and practice, VAT is not a cost to production because all tax collected from domestic sales ("output VAT") and all tax payable to purchases ("input VAT") in respect of production inputs and materials purchased are first offset against each other, and the balance is either payable to tax authority or refundable therefrom.

There were no tax exemptions or drawbacks applied during the review period.

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

All direct selling expenses incurred in relation to domestic sales are reported in Confidential Exhibit D-2, and included in reconciliation of Confidential Exhibit D-5.

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

E-5 Other adjustment claims

1. Are there any other adjustments required to ensure a fair comparison between the export price and the normal value (based on domestic sales, costs and/or third country sales)? If yes, provide details.
- An adjustment will only be made where there is evidence that the difference affects price comparability.

- Refer to Chapter 15 of the *Dumping and Subsidy Manual (December 2021)*³ for more information.

In the time available DSC has done its best to identify costs, charges or expenses which would need to be considered for adjustment purposes. DSC reserves the right to present further information before or during the verification process if such information is properly identified.

As stated in above Section C-2.2, during the review period, DSC did not export the subject goods to Australia.

[REDACTED]

[REDACTED]

[REDACTED]

In Confidential Exhibit C-2.3,

[REDACTED]

[DSC views on comparable domestic grades for calculating normal values]

³ Available on the commission website

SECTION F THIRD COUNTRY SALES

F-1 Third country sales process

1. Are your sales processes to any third country (i.e. exports to countries other than Australia) different to the sales process described in B-1.1? If yes, provide details of the differences.

The sales processes to export sales are the same. Please see Confidential Exhibit F-1.1 for a flow chart explaining the sales process of export sales.

2. Are there any third country customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.



3. In establishing the date of sale, the commission will normally use the date of invoice as it best reflects the material terms of sale. If you are making a claim that a different date should be taken as the date of sale:
 - (a) What date are you claiming as the date of sale?
 - (b) Why does this date best reflect the material terms of sale? Any claim for an adjustment would need to substantively address:
 - whether, why, and to what degree, the considerations in determining price differed between export and domestic sales
 - whether the materials cost differs at the time of subsequent invoicing of that export sale (compared to domestic sale invoices in the same invoice month of that export sale) having regard to factors such as the production schedules for domestic and export; and lead times for purchasing main input materials
 - whether contracts were entered into for the materials purchases, and materials inventory valuation.

The question is not applicable because DSC does not make such claim.

F-2 Third country sales listing

1. Complete the worksheet named “F-2 Third country sales”
 - This worksheet lists all export sales, summarised by country, customer and MCC, to third countries of like goods invoiced within the period.
 - While sales may be made in different currencies and on different shipping terms the sales listing also seeks to record an Ex-works value of these sales in your local currency.
 - If you have claimed in F-1.3 that the date of sale is one other than the invoice date, then add sales with your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Please see Confidential Exhibit F-2 Third Country Sales.

2. Complete worksheet “F-2.2 third country sales source” listing the source of the data for each column in the worksheet “F-2 third country sales”.

Please refer to Confidential Exhibit F-2.2 Third Country Sales Source.

F-3 Differences in sales to third countries

1. Are there any differences in sales to third countries which may affect their comparison to export sales to Australia? If yes, provide details.

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If DSC had sales to Australia during the review period, there may have been a number of differences between DSC's sales to other third countries which would likely affect comparison, such as different trade terms and payment terms. In addition, the specifications/grades may be different.

SECTION G COST TO MAKE AND SELL

G-1. Production process

1. Describe the production process for the goods and provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

Please see Public Exhibit G-1 for production flowchart of the goods.



There are no by-products produced in this process. The scraps, i.e., steel scraps and iron oxide scale, generated in the production process, are reintroduced into the production cycle as raw material.

2. Are any of your suppliers related to your company (regardless of whether it is relevant to the manufacture of the goods)? If yes, please provide details including the product or services supplied by the related company.

Please see Confidential Exhibit G-1.2 for DSC's purchases from related companies.



[Details of related suppliers]

G-2. Cost accounting practices

1. Is your company's cost accounting system based on actual or standard costs (budgeted)?

DSC's cost accounting system is based on actual costs. However, for book keeping purposes during the month, DSC first records the cost by a standard cost (for a given product group or product category), and then adjusted it at the end of the month to the actual cost by applying variance ratios when doing monthly closing. Therefore, DSC's production cost and inventory costs reflect the actual costs.

2. If your company uses standard costs:
 - (a) Were standard costs used as the basis of actual costs in your responses G-3.1 & G-5.1?
 - (b) Have all variances (i.e. differences between standard and actual production costs) been allocated to the goods?
 - (c) How were those variances allocated?
 - (d) Provide details of any significant or unusual cost variances that occurred during the period.

The question is not applicable to DSC because its cost accounting system, as responded to Section G-2.1, is based on actual costs.

3. Briefly explain your cost accounting practices (e.g. job costing, process costing).

In DSC's ordinary cost accounting system, costs are tracked and cumulated at cost centres on an aggregate, actual basis and by the process costing method, i.e., one average cost for the product produced at a given cost centre. A group of relevant cost centres which are geared toward the production of a specific product group is termed "Allocation" in DSC's own parlance.

4. Do you have different cost centres in your company's cost accounting system? If yes, list the cost centres, provide a description of each cost centre and the allocation methodology used in your accounting system.

Please see Confidential Exhibit G-2.4 for the list of direct and indirect cost centres in relation to the goods.

In DSC's cost accounting system, a cost centre is the basic cost collection unit. There are 3 types of cost centres in DSC:

- Producing Cost Centre - converts raw material or semi-finished material into product, which may be for captive use or for sale, such as slabs used as inputs to produce hot-rolled bands at the hot-strip mill.*
- Service Cost Centre - renders services to other cost centres, e.g., the maintenance unit provides various machining and repair services, and the utility department provides various water and electricity services. Costs incurred by service cost centres are charged to the recipient cost centre.*
- Auxiliary Cost Centre - provides services to a specific producing cost centre, e.g., the roll unit provides roll and guide design services to the rolling mill cost centre.*

In DSC's ordinary cost accounting system, costs are tracked and accumulated at cost centres on an aggregate, actual basis and by the process costing method, i.e., one average cost for the product produced at a given cost centre. A group of relevant cost centres which are geared towards the production of a specific product group is termed "Allocation" in DSC's own parlance.

When one product is introduced as an input to the production of another product, the input cost is the average production cost of the upstream product. Within a product group, DSC does not calculate or maintain detailed cost for different specifications or types.

The costs captured in service or auxiliary cost centres, including those for water, electricity and maintenance, are allocated to producing cost centres based on the actual consumption of each producing cost centre.

When more than one producing cost centre is involved with one product, its total costs would be allocated to the output quantity of the product.

5. To what level of product specificity (models, grades etc.) does your company's cost accounting system normally record production costs?

In DSC's ordinary cost accounting system, DSC maintains production and inventory costs on the basis of product group. DSC does not calculate or maintain detailed cost for different specifications or types.

6. Are there any costs for management accounting purposes valued differently to financial accounting purposes? If yes, provide details of the differences.

Not applicable. All production costs are valued in the same methods for cost accounting purposes and for financial accounting purposes.

7. Has your company engaged in any start-up operations in relation to the goods? If yes:

- (a) Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
- (b) State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

Not applicable. DSC did not engage in any relevant start-up operations relating to the goods.

8. What is the method of valuation for raw material, work-in-progress, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average)?

DSC uses the weighted average method in valuing inventory of raw materials, work-in-process, and finished goods.

9. What are the valuation methods for damaged or sub-standard goods generated at the various stages of production?

In addition to prime goods, non-prime goods and scraps are also an output of the production process. The cost of these non-prime goods and scraps are determined by standard costs and treated as recovery. The actual production costs incurred, after deducting the recovery value of non-prime goods and scraps, are absorbed by the prime-grade output product.

10. What are the valuation methods for scrap, by products, or joint products?

Under DSC's accounting system, the scrap recovery for each product is determined by multiplying the standard price of scrap by the quantity of scrap generated. The standard price is set for different types of scrap.

DSC does not have joint products.

11. Are any management fees/corporate allocations charged to your company by your parent or related company? If yes, provide details

Not applicable, as no management fee/corporate allocation is charged to DSC by DSC's parent or related company.

G-3 Cost to make on domestic market

1. Complete the worksheet named "G-3 Domestic CTM".
 - This worksheet lists the quarterly cost to make the domestic models of like goods by MCC manufactured within the period, even if they are models not exported to Australia.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture like goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all domestic sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

Please see Confidential Exhibit G-3 for the quarterly cost of MCC produced by DSC sold on the domestic market.

As stated above, in DSC's normal cost accounting, DSC does not calculate costs separately for each specific specification or type of the goods, so DSC manually ran programming command to calculate the cost for each MCC in Exhibit G-3.

In order to report MCC-specific costs,



[Description of cost preparation process]

2. Complete worksheet titled "G-3.2 domestic CTM source" listing the source of the data for each column of the worksheet "G-3 domestic CTM".

Please see Confidential Exhibit G-3.2 for domestic CTM source.

G-4 Selling, General & Administration expenses

1. Complete the worksheet named "G-4.1 SG&A listing".
 - This worksheet lists all selling, general and administration expenses, including finance expenses, by account code for the most recent accounting period and the period.
 - Exclude any SG&A amount in respect of:
 - unrealised foreign exchange gains/loss
 - provision for doubtful debt
 - any other income/expense not directly/indirectly related to the manufacture or sale of the goods or like goods
 - The SG&A listing should reconcile to the trial balance and/or income statement.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Please see Confidential Exhibit G-4.1 for SGA Listing.

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".
 - This worksheet calculates the unit domestic SG&A for each MCC.
 - You must provide this list in electronic format using the template provided.
 - Please use the formulas provided.

Please see Confidential Exhibit G-4.2 for Domestic SG&A calculation.

G-5 Cost to make the goods exported to Australia

1. Complete the worksheet named "G-5 Australian CTM".
 - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All other taxes payable (e.g.

import duty) must be included as 'other costs' if not already included, for example, under material costs.

- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.
- If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

2. Complete worksheet titled "G-5.2 Australian CTM source" listing the source of the data for each column of worksheet "G-5 Australian CTM".

Not applicable, as DSC exported no volumes of the goods to Australia during the review period.

G-6 Cost allocation method

1. What is the allocation method used to complete in G-3 domestic CTM and G-5 Australian CTM for:
 - (a) Raw materials
 - (b) Labour
 - (c) Manufacturing overheads

Raw materials



Labour



Manufacturing overheads



[Description of cost allocation methodology]

2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production volume over the period and provide worksheets demonstrating the allocation method described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1.

*Please refer to **Exhibit G-6.2** for the Selected MCC Cost Illustration.*

G-7 Major raw material costs

1. What are the major raw materials used in the manufacture of the goods?

DSC used self-produced slabs/beams/blooms for production of the goods. For self-produced slabs/beams/blooms, the primary raw materials are coal, iron ore, and steel scraps.

2. Are any raw materials sourced as part of an integrated production process or from a subsidiary company which your company exercise control? If yes, complete the worksheet named “G-7.2 Raw material CTM” for these raw materials.
 - This worksheet lists the quarterly cost to make the raw material manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold).
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the raw material, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as ‘other costs’ if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Please see Confidential Exhibit G-7.2 Raw material CTM for the self-produced slabs/beams/blooms used to produce H-Section steel.

3. Using the domestic cost data in “G-3 Domestic CTM” (use “G-5 Australian CTM” if you have no domestic production of like goods), calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

Please see Confidential Exhibit G-7.2 for the ratio of coal, iron ore, and steel scrap representing in the cost of slabs/beams/blooms.

4. For each raw material identified in G-7.3 which individually account for 10% or more of the total cost to make, complete the worksheet named “G-7.4 Raw material purchases”
 - This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Please see Confidential Exhibit G-7.4 for purchase listing of coal, iron ore and steel scrap.

5. Provide a table listing the source of the data for each column of the “G-7.4 Raw material purchases” listing.

The source data of Exhibit G-7.4 is identified in another tab of the same Exhibit.

6. For each raw material:
 - (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.
 - (b) Reconcile the total value listed in “G-7.4 Raw material purchases” listing to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.

Please see Confidential Exhibit G-7.6.a for the sample documents for two largest invoices by value, and Confidential Exhibit G-7.6.b for the purchase reconciliation.

7. Are any of the suppliers in “G-7.4 Raw material purchases” listing related to your company? If yes, please provide details on how the price is set.

With respect to coal and iron ore, all suppliers were unrelated to DSC.

As for steel scraps, in addition to unrelated suppliers, DSC also purchased from [REDACTED]

G-8 Reconciliation of cost to make to audited financial statements

1. Please complete the worksheet named “G-8 Upwards costs” to demonstrate that the cost listings in G-3 and G-5 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Provided in Confidential Exhibit G-8 as instructed.

2. Please provide any documents, other than those in A-4, G-3 and G-5, required to complete the “G-8 Upwards costs” worksheet.

Provided in Confidential Exhibit G-8 as instructed.

3. For any amount that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column D of the worksheet and
 - highlight or annotate the amount shown in the source document and
 - provide the account number and sub-account number (if applicable) at column E of the worksheet.

Provided in Confidential Exhibit G-8 as instructed.

G-9 Production of the goods under consideration

1. Describe your company’s practices for capturing the production quantities reported at worksheets “G-3 domestic CTM” and “G-5 Australian CTM”. Consider using a flowchart in answering this question.

DSC uses a computerized ERP system to track its production.

In DSC’s cost reports and inventory ledgers, the production quantities are sorted by IP codes, which signifies product group. As mentioned, those product group definitions do not differentiate the physical characteristics in MCC. To identify the MCC for each product, DSC identified the product ID, which in turn was traced to a sales order. The sales order carries the relevant information to code MCC.

For the production quantity of each product, or the quantity of each MCC, it can be pulled out from the ERP database. To report Exhibit G-3 CTM, [REDACTED]

2. Outline the types of source documents kept by the company in relation to production quantities and how the production quantities are entered into the accounting system. Consider using a flowchart in answering this question.

Please refer to the response to G-9.1 above.

As for how the production quantities of H-Section Steel being entered into the accounting system, please see Confidential Exhibit G-9.2.

3. Briefly explain the reasons for any differences between:

- (a) the production quantities reported at worksheet "G-3 domestic CTM" and the sales volumes reported at worksheet "D-2 domestic sales" and
- (b) the production quantities reported at worksheet "G-5 Australian CTM" and the sales volumes reported at worksheet "B-2 Australian sales".

The differences between production quantities and sales volumes are mainly because (1)

[REDACTED] and (2) [REDACTED].

4. Describe how your company determines its volume of production for the goods, product mix of production and the factors that contribute to these decisions. How frequently are production volumes determined for the goods? How frequently is the product mix determined for the goods?

The production volume and product mix of production are mainly based on

5. What lead times are typically needed to adjust volumes of production for the goods?

It usually takes about [REDACTED].

G-10 Capacity Utilisation

1. Please complete the worksheet named "G-10 Capacity Utilisation".
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Provided in Confidential Exhibit G-10 as instructed.

2. Explain how the production capacity and capacity utilisation has been calculated.

The capacity utilisation is computed by actual output of prime goods divided by nominal production capacity on yearly basis. The nominal production capacity reported in G-10 is based on [REDACTED]

3. Do you have warehousing facilities for the goods? If no, what do you do with excess inventory? If yes:
 - (a) What is the capacity of these facilities?
 - (b) What was the monthly amount of inventory maintained during the investigation period?
 - (c) What is the average period of time that inventory is retained (describe how this is calculated)?

The capacity of DSC's warehousing facility for the finished goods of Section Mill (H-beams and narrow plates) is [REDACTED] MT.

Please see Confidential Exhibit G-10.3.b for the list of monthly ending Inventory of the goods.

Please see Confidential Exhibit G-10.3.c for inventory turnover days with calculation explanation.

4. Have there been any changes to the type of capital or technology utilised by your company in the manufacturing of the goods in the last five years? If yes, provide details.

No. Over last five years, no such change to the type of capital or technology utilised in the manufacturing of the goods.

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5. For each plant capable of producing inputs that could be utilised to make the goods, provide the date that production facility came into operation and the production capacity of the plant over the past five years. The production capacity should be based on an actual production capacity, not a budgeted production capacity.

*The input material of H-beam mill is slab/beam/bloom. Please see **Confidential Exhibit G-10.5** for the operation starting date and capacity of slab/beam/bloom production.*

6. List any significant investments in the past five years to either upgrade, refurbish or build any of the plants used in the production of the goods.

Not applicable to DSC. There is no significant investment to updates, refurbish or build the plant used in the production of the goods.

EXPORTER'S DECLARATION

EXPORTER'S DECLARATION

I hereby declare that Dragon Steel Corporation have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name : Cheng-Mou LEE

Signature : *Cheng-Mou Lee*

Position in

Company : Vice President of Commercial Division

Date : *2024.05.20*