

19 March 2026

Director
Investigations 2
Anti-Dumping Commission
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Dear Director,

Public File

Continuation inquiry No. 682 – Mill Finish Aluminium Extrusions exported from Malaysia

I. Introduction

Capral Limited (**Capral**) makes this submission in response to Statement of Essential Facts No. 682 (**SEF 682**), published on 27 February 2026, concerning the continuation of anti-dumping measures on mill finish aluminium extrusions exported to Australia from Malaysia by the subject exporters Kamco Aluminium Sdn Bhd (**Kamco**), LB Aluminium Bhd (**LB Aluminium**) and Milleon Extruder Sdn Bhd (**Milleon**).

II. Key SEF Outcomes

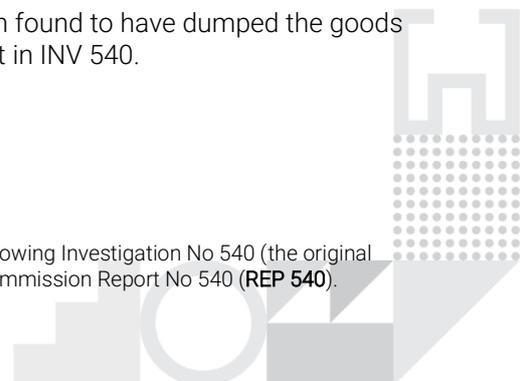
The Anti-Dumping Commission (**the Commission**) proposes to recommend continuation of the measures in relation to LB Aluminium and Milleon, with revised variable factors, and to recommend that the measures expire in relation to Kamco. Capral broadly supports the Commission's proposed recommendations regarding LB Aluminium and Milleon but raises specific concerns regarding the preliminary non-continuation assessment for Kamco.

On dumping margins assessed over the April 2024 – March 2025 inquiry period (**the inquiry period**):¹

- SEF 682 has preliminarily determined that variable factors have changed for all three subject exporters.
- Kamco has been found to have dumped the goods during the inquiry period with a margin of positive 1.2 percent, a significant reduction from the positive 13.2 percent margin established in the original investigation.²
- LB Aluminium has been found not to have dumped the goods on a weighted average basis over the inquiry period, with the Commission finding a margin of negative 1.3 percent, compared with the positive 4.9 percent margin in the original investigation.
- Milleon has been assessed as an uncooperative exporter and has been found to have dumped the goods by a margin of positive 3.4 percent, reduced from positive 13.1 percent in INV 540.

¹ SEF 682, Chapter 6, p. 45-52.

² The measures were initially imposed by public notice on 2 June 2021 by the relevant Minister following Investigation No 540 (the original investigation) (**INV 540**). The findings of that original investigation are detailed in Anti-Dumping Commission Report No 540 (**REP 540**).



On the economic condition of the Australian industry:³

- SEF 682 has preliminarily found that the Australian industry experienced initial improvements in several economic indicators following the imposition of the measures in 2021, including increases in prices, revenue, sales volume, capacity utilisation and employment.
- However, a number of these improvements dissipated over the injury analysis period.
- Australian industry sales volumes and market share have declined, with market share lost principally to imports from China.
- Capral has experienced price suppression throughout the entire injury analysis period, with unit costs exceeding unit prices in every year examined.
- Capral recorded a loss on its sales of mill finish aluminium extrusions in every year of the injury analysis period.
- The Commission also considers that the Australian industry remains vulnerable to increased competition from dumped goods.

On the likelihood of continuation or recurrence of dumping and material injury:⁴

- The Commission is preliminarily satisfied that the expiration of the measures on goods exported by LB Aluminium and Milleon would likely lead to a continuation or recurrence of both dumping and material injury.
- This finding is premised on several factors:
 - the subject exporters have maintained distribution links to Australia;
 - they possess significant excess production capacity (sufficient to supply approximately 15 percent of the Australian market);
 - they are likely to divert exports to Australia in response to increased US tariffs on aluminium products; and
 - there is evidence that LB Aluminium has already begun redirecting volumes from Canada to Australia following the inquiry period.
- SEF 682 finds that LB Aluminium and Milleon have continued to undercut the Australian industry's prices during the inquiry period, and that LB Aluminium dumped specific models when competing with Capral for the same customers in certain quarters.
- In the absence of the measures, the Commissioner considers that the Australian industry would likely experience a recurrence of material injury through price depression, price suppression, and lost sales volume and market share.
- Conversely, SEF 682 finds that the Commission is preliminarily not satisfied that the expiration of the measures on goods exported by Kamco would likely lead to a recurrence of material injury, on the basis that Kamco's limited production capacity and consistently higher, less competitive prices mean its exports are unlikely to increase to a level that would materially injure the Australian industry.

³ SEF 682, Chapter 5, p. 38-44.

⁴ Ibid, Chapter 7, p. 53-80.



III. Support for the SEF's Findings

Capral supports the Commission's preliminary finding that the expiration of the measures on goods exported by LB Aluminium and Milleon would likely lead to a continuation or recurrence of dumping and material injury. The Commissioner's analysis is thorough and well-supported by the available evidence. Capral offers the following comments to support and reinforce the Commission's findings.

*Likelihood of exports continuing and increasing*⁵

Capral endorses the Commission's finding that exports from the subject exporters would likely continue and increase in volume should the measures expire. SEF 682 has correctly identified the convergence of several factors that create circumstances for increased exports to Australia in the absence of measures.

The SEF's analysis of import volumes⁶ demonstrates the disciplining effect of the measures. The significant decrease in exports from the subject exporters following the imposition of securities in December 2020 and measures in June 2021,⁷ at a time when the total volume of aluminium extrusions exported to Australia remained generally stable, is strong evidence that the measures constrained the subject exporters' participation in the Australian market.

The Commission's ongoing and reaffirmed finding that customers in the Australian market can quickly switch between sources of supply is continues to remain of particular importance. The evidence that customers switched away from the subject exporters following the imposition of the measures, with some switching to Capral and others to exporters not subject to measures or subject to lower duty rates, demonstrates that purchasing decisions in this market are highly responsive to changes in pricing.

*Trade barriers in other jurisdictions*⁸

Capral welcomes this assessment, and one of which it considers to be the Commission's first officially published views on the current and challenging global trade landscape. The analysis is of central importance to this inquiry, and many others.

The Commission has found that the trade environment has changed materially since the original investigation. The escalation of United States (**U.S.**) tariffs on aluminium products – from 10 percent in 2018 to 25 percent in March 2025, and to 50 percent from June 2025 – has created unprecedented pressure on Malaysian exporters that are dependent on export markets for a significant proportion of their revenue.

The evidence in the SEF demonstrates that the subject exporters' exports to the U.S. have already declined significantly following the tariff increases. Kamco's exports to the U.S. decreased by over half in the six months following the March 2025 tariff increase, with volumes declining sharply after the further tariff increase to 50 percent in June 2025.⁹

LB Aluminium's exports to the U.S. similarly decreased, and the Commission has found direct evidence that LB Aluminium has already begun diverting volumes to Australia – with exports to Australia in the six months from April to September 2025 exceeding the volume exported during the entire inquiry period.¹⁰

Capral submits that this evidence of actual trade diversion occurring in real time is probative and real-time, with the diversion of exports to Australia is already underway. This strengthens the basis for finding that exports

⁵ Ibid, beginning p. 56.

⁶ Ibid, section 7.6.1.

⁷ Ibid, p. 57.

⁸ Ibid, beginning p. 60.

⁹ Ibid, p. 61.

¹⁰ Ibid, p. 61-62.



would increase should the measures expire.

SEF 682 also finds that diversion effect is not limited to direct exports to the U.S, with the indirect effect on the Canadian market, which is the largest source of aluminium extrusions imported into the US, also substantially relevant. The SEF finds that as U.S. tariffs reduce imports from Canada, excess capacity builds in the Canadian domestic market, reducing demand for Malaysian exports to Canada.

LB Aluminium's exports to Canada have already declined in August and September 2025, coinciding with increased exports to Australia. This cascading effect amplifies the volume of exports likely to be redirected to Australia and other markets not subject to equivalent trade barriers.

Critically, there is no information before the Commission to suggest that the U.S. tariffs will be reduced or removed in the foreseeable future.¹¹ A further extension to the next logical point is that these tariffs may increase in the short, medium or long term, with inherent uncertainty existing across all of these timeframes. Capral submits that the Commissioner should therefore place significant weight on this unprecedented trade environment in the final report, as it represents a structural shift in that will persist beyond the life of any continued measures.

Production capacity¹²

Capral supports the SEF's findings on subject exporter spare/excess production capacity. The finding that LB Aluminium's excess capacity alone is sufficient to supply nearly 13 percent of the total Australian market and displace approximately one-fifth of the Australian industry's total sales volume¹³ underscores the magnitude of the potential threat to the Australian industry.

When the combined excess capacity of LB Aluminium and Milleon sufficient to supply approximately 15 percent of the Australian market, the potential for material injury is substantial. Capral also submits that even a small incremental increase to this metric would further exacerbate material injury, let alone the exacerbated material injury once Malaysian export volumes currently being lost and to be lost to the U.S., Canada and elsewhere are recognised.

Likelihood of dumping continuing or recurring¹⁴

Capral supports the SEF's finding that dumping by Kamco and Milleon will likely continue, and that dumping by LB Aluminium will likely recur.

The evidence demonstrates a clear pattern of the subject exporters' prices and spreads having increased above market norms following the imposition of measures, and which are now declining as exporters respond to challenging and unprecedented trade conditions.

FOB prices following the inquiry period have decreased at a greater rate than both the LME aluminium price and the weighted average prices of exports from China and Indonesia, indicating that the discipline imposed by the measures is already eroding.¹⁵

The finding that each cooperative exporter achieves higher profits on exports to Australia than on domestic sales in Malaysia confirms that the subject exporters have the capacity and commercial incentive to reduce export prices further. Critically, the Commission has also found that domestic sales were unprofitable during the inquiry

¹¹ Ibid, p. 62.

¹² Ibid, p. 63.

¹³ Ibid, p. 64.

¹⁴ Ibid, beginning p. 65.

¹⁵ Capral commends the Commission on this post-inquiry analysis. This type of analysis can and has categorically proven the extent of the injurious effect of Malaysian imports following the inquiry period. It is a critical future-looking assessment, supported by evidence.



period,¹⁶ making it unlikely that domestic prices would fall in tandem with export prices. Any reduction in export prices will therefore widen the gap between domestic and export pricing and result in dumping.

On this non-profitability point however, SEF 682 specifically states that *Noting that the subject exporters sales were not profitable in the inquiry period...*¹⁷ This is followed by a footnote reference (footnote no. 118) to Confidential Attachment 14. In LB Aluminium's and Kamco's exporter verification reports the Commission found that both exporters had made sufficient sales of domestic like goods, which were at arms length and in the ordinary course of trade to set normal values under section 269TAC(1).¹⁸

The SEF's comments appear inconsistent with EVR's. Capral requests clarification on this point, and whether there are implications for the ordinary course of trade test.

Likelihood of material injury continuing or recurring¹⁹

Capral strongly supports the Commissioner's finding that the expiration of the measures on LB Aluminium and Milleon would likely lead to a recurrence of material injury.

The common customer analysis provides direct evidence of the injury channel, with over one-tenth of Capral's inquiry period sales volume was to customers that also source, or have previously sourced, from LB Aluminium and Milleon.

The price undercutting analysis confirms that LB Aluminium undercut Capral in almost all months examined, with the frequency and magnitude of undercutting increasing when dumping duty is excluded. The finding that LB Aluminium offered lower prices specifically to customers also supplied by Capral, and dumped specific models to those customers in certain quarters, demonstrates a willingness to engage in undercutting to displace the Australian industry's sales.

The Commissioner's conclusion regarding the likely effect on the Australian industry (i.e. a choice between reducing prices leading to price depression and suppression, or maintaining prices and losing sales volume and market share) describes the injury mechanism that was observed in INV 540 and that which would recur in the absence of the measures.

Given the Commission's finding in Chapter 5 of the SEF that Capral has experienced losses on its sales of mill finish extrusions throughout the entire injury analysis period, Capral submits that the Australian industry has no capacity to absorb the competitive pressure that would result from increased volumes of dumped imports from LB Aluminium and Milleon.

IV. SEF's Findings – Kamco

Capral does not support the Commissioner's preliminary finding that the expiration of the measures on goods exported by Kamco would not likely lead to a recurrence of material injury. Capral submits that the Commissioner should recommend continuation of the measures on Kamco for the following reasons.

The cumulative assessment in REP 540

Of prevailing concern to Capral is the Commission's proposed approach to Kamco in SEF 682 as being inconsistent with the approach adopted in the original investigation and in other aluminium extrusion inquiries. In REP 540, the Commission assessed injury caused by the subject exporters collectively. The injury finding at

¹⁶ Ibid, p. 71.

¹⁷ Ibid.

¹⁸ LB Aluminium and Kamco exporter verification reports, at Chapter 3.3 (p. 6).

¹⁹ SEF 682, beginning p. 72.



Chapter 8 of REP 540²⁰ found that the Australian industry suffered material injury caused by dumped goods exported by the subject exporters, including Kamco. Kamco's dumped exports were not assessed individually or separated from the collective injury finding. The Commissioner did not find, and was not required to find, that Kamco's exports in isolation were sufficient to cause material injury. Rather, Kamco's exports formed part of the total volume of dumped Malaysian exports that, together, caused material injury to the Australian industry.²¹

The statutory test in section 269ZHF(2)²² asks whether the expiration of the measures would likely lead to a continuation or recurrence of the dumping and the material injury that the measures are intended to prevent. The material injury that the measures on Kamco were intended to prevent was the collective injury caused by the dumped exports of all subject exporters, including Kamco. The assessment of whether that injury would recur should be conducted on the same collective basis.

A cumulative assessment that should be made in this inquiry

Even setting aside the approach in the original investigation, Capral submits that the evidence in SEF 682 supports a finding that Kamco's exports would cumulatively contribute to a recurrence of material injury when consolidated with exports from LB Aluminium and Milleon.

The SEF finds that Kamco has nearly tripled its total production capacity since the original investigation period in 2019.²³ Such investment is not the conduct of an exporter that intends to maintain the modest production volumes observed during the inquiry period, even if Kamco's scale is smaller than the others. It signals a clear intention and capability to expand production and sales, including to export markets. Capral respectfully submits that the Commission should not disregard the implications of this capacity expansion when assessing the likelihood of injury recurring.

The SEF finds that Kamco's excess production capacity could supply approximately 1 percent of the total Australian market.²⁴ Capral submits that this figure should not be viewed in isolation, but rather in the context of the combined excess capacity of all subject exporters. The Commissioner has estimated Milleon's excess capacity at approximately 1.5 percent of the Australian market,²⁵ comparable to Kamco's estimated 1 percent, yet the Commission has proposed to continue the measures on Milleon.

When Kamco's excess capacity is added to LB Aluminium's excess capacity of approximately 13 percent²⁶ and Milleon's excess capacity above, the combined excess capacity of the subject exporters rises to approximately 15.5 percent of the Australian market. Capral submits that removing Kamco from the measures while continuing them on LB Aluminium and Milleon does not eliminate Kamco's contribution to the competitive pressure on the Australian industry. It only removes the discipline that prevents Kamco from exporting at dumped prices.

The global trading environment

On the global trading environment, the SEF finds that that the increase in US tariffs on aluminium products has already adversely affected Kamco's exports to the U.S., with Kamco's exports to the US decreasing by over half in the six months following the March 2025 tariff increase, and declining sharply following the further increase to 50 percent in June 2025.²⁷

²⁰ REP 540, beginning p. 93.

²¹ Kamco was determined to be an uncooperative exporter in the original investigation and was assigned the highest dumping margin of 13.2 percent. The Commission found that Kamco's dumped exports contributed to the collective injury, recommended the imposition of measures on Kamco, and found that dumping by Kamco may continue. The Minister accepted those recommendations and imposed measures on Kamco accordingly.

²² All legislative references are to the *Customs Act 1901*, unless otherwise specified.

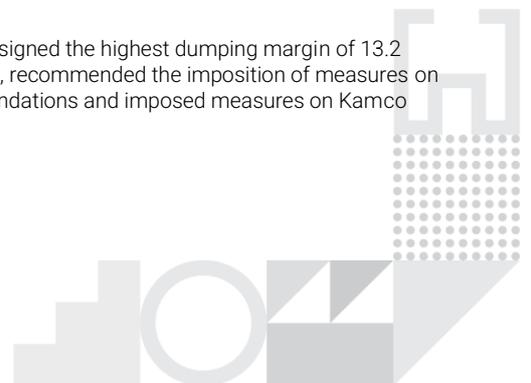
²³ SEF 682, p. 63.

²⁴ *Ibid.*, p. 64.

²⁵ *Ibid.*

²⁶ *Ibid.*

²⁷ *Ibid.*, p. 61.



SEF 682 acknowledges that these tariff increases will likely exacerbate Kamco's spare or excess production capacity.²⁸ The current global trade environment is unprecedented for aluminium exporters. The escalation of U.S. tariffs from 10 percent to 50 percent, the effects on other markets including Canada, and the displacement of Malaysian export volumes are developments with no previous comparison point. Capral respectfully submits that it would be nonsensical to allow measures to expire on any exporter that has been found to be dumping, that has significantly expanded its production capacity, and that is losing access to its largest export market.

Furthermore, the full extent of the subject exporters' responses to the challenging global trade environment is only now becoming apparent. SEF 682 shows that LB Aluminium has already begun diverting exports to Australia, and that the subject exporters have reduced their export prices and spreads following the inquiry period. These developments are fluid and their effect has not been assessed with certainty. Capral submits that the Commission's final recommendation should therefore err on the side of caution and not remove the measures from any exporter whose dumped exports would add to the cumulative competitive pressure on the Australian industry.

The SEF's evidence is that Kamco:

- dumped the goods in the original investigation period and the CON 682 inquiry period;
- has maintained distribution links to the Australian market;
- has nearly tripled its production capacity;
- its largest export market is contracting due to tariffs; and
- its excess capacity is comparable to Milleon's.

On this basis, the Commission should adopt a consistent analytical approach and assess the likelihood of injury from all three Malaysian exporters together, including Kamco.

The Commission's approach in REP 657 (China)

To further the position for Kamco's inclusion in the continued measures, Capral highlights that the Commissioner's proposed approach is inconsistent with the approach adopted in REP 657 on the continuation of aluminium extrusion measures against China, as published on 23 September 2025.

In REP 657, the Commissioner assessed the likelihood of continuation or recurrence of dumping and material injury on a collective basis across all Chinese exporters. The Commissioner did not assess whether each exporter's exports, considered individually, would be sufficient to cause material injury. No Chinese exporter was singled out for expiry of measures based on its individual volumes, capacity, or pricing.

Rather, the Commission assessed whether exports from China as a whole would continue at dumped prices and whether the collective effect of those exports would cause material injury. Critically, the Commissioner recommended the continuation of measures on residual exporters with a negative dumping margin of 0.9 percent,²⁹ on Jinxi Cheng with a negative margin of -9.8 percent,³⁰ and on Goomax with a negative margin of 7.2 percent.³¹ In contrast, Kamco has been found to have dumped by a margin of positive 1.2 percent.

The Commission's REP 657 injury analysis was concerned with the cumulative competitive pressure exerted by the large number of Chinese exporters, including those with low individual volumes and low or negative dumping margins. The Commissioner found that the removal of measures would incentivise these exporters to reduce prices and compete more aggressively, placing downward pressure on all market participants. This same reasoning applies to Kamco – its dumped exports, when added to those of LB Aluminium and Milleon, increase

²⁸ Ibid.

²⁹ ADN 2025/096.

³⁰ Ibid.

³¹ Ibid.



the total volume of dumped goods available to supply the Australian market and create additional competitive pressure on prices.

Capral submits that the Commission cannot look to adopt a collective approach to the likelihood of injury in one continuation inquiry concerning the same product and the same Australian industry while simultaneously adopting an individual exporter approach in a concurrent continuation inquiry, without explanation for the difference in methodology.

The trade environment that the Commissioner identified in REP 657, including the unprecedented escalation of U.S. tariffs, the redirection of global aluminium trade flows, and the intensification of price competition in the Australian market, applies with equal relevance to Malaysia. If anything, the Commission's assessment of the global grade landscape in this inquiry far exceeds the narrative and conclusions in REP 657.³²

Capral submits that the Commissioner should adopt a consistent analytical approach and assess the likelihood of injury from all three Malaysian exporters cumulatively, including Kamco.

V. Conclusion

Capral submits that SEF 682 is evidence-based and well-reasoned on the need for continued measures against LB Aluminium and Milleon. All relevant aspects have been considered and appropriately decided by the Commission in arriving at this continuation assessment. The Commission's finding on trade diversion is particularly decisive and contemporary, as it relates to the continuation and/or recurrence of material injury.

Capral therefore welcomes the preliminary key findings and recommendations and looks forward to the same being made in the final report to the Minister.

Regarding Kamco, Capral submits that the Commissioner should reconsider the proposed finding and recommend the continuation of the measures. The evidence before the Commission – including Kamco's positive dumping margin, its near-tripling of production capacity, the contraction of its largest export market due to US tariffs, and the cumulative effect of its exports when assessed together with those of LB Aluminium and Milleon, consistent with the collective approach adopted in REP 657 – supports a finding that the expiration of the measures on Kamco would likely contribute to a recurrence of the material injury that the measures are intended to prevent.

If you have any questions concerning this submission, please do not hesitate to contact Capral's representative Mr Chad Uphill on 0412 377 603.

Yours sincerely



³² SEF 682 assesses in detail the impact of trade barriers in other jurisdictions to Malaysian aluminium extrusion exports (for example, at chapter 7.6.3, beginning p. 60). In contrast, REP 657 stated only that: *The commission notes that there has been considerable volatility and uncertainty in relation to US trade policy and that the longer-term impact of these policies may take some time to unfold. Capral submitted that the commission should further elaborate on its views regarding the uncertainty of U.S. trade policy. The commission notes that at the time of this report there continue to be developments in the implementation of US trade policy. The longer-term impact of these policies on markets, particularly insofar as they relate Australia, will become more evident over time.* (at p. 99-100 of REP 657).

