



Australian Government
Department of Industry,
Science and Resources

Anti-Dumping Commission

Exporter Questionnaire

Case number: 692

Product: Certain welded steel mesh sheets

From: The People's Republic of China and Malaysia

Investigation period: 1 October 2024 – 30 September 2025 (the period)

Response due by: 2 January 2026

Email enquiries to: investigations1@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.

TABLE OF CONTENTS

TABLE OF CONTENTS	2
INSTRUCTIONS.....	4
CHECKLIST.....	7
GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES	9
SECTION A COMPANY INFORMATION	11
A-1 COMPANY REPRESENTATIVE AND LOCATION	11
A-2 COMPANY INFORMATION	11
A-3 GENERAL ACCOUNTING INFORMATION	13
A-4 FINANCIAL DOCUMENTS	14
SECTION B EXPORT SALES TO AUSTRALIA.....	15
B-1 AUSTRALIAN EXPORT SALES PROCESS	15
B-2 AUSTRALIAN SALES LISTING	16
B-3 SAMPLE EXPORT DOCUMENTS	16
B-4 RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS	17
SECTION C EXPORTED GOODS & LIKE GOODS	18
C-1 MODELS EXPORTED TO AUSTRALIA	18
C-2 MODELS SOLD IN THE DOMESTIC MARKET	18
C-3 INTERNAL PRODUCT CODES	19
SECTION D DOMESTIC SALES.....	20
D-1 DOMESTIC SALES PROCESS.....	20
D-2 DOMESTIC SALES LISTING	21
D-3 SAMPLE DOMESTIC SALES DOCUMENTS	21
D-4 RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS	22
SECTION E DUE ALLOWANCE	23
E-1 CREDIT EXPENSE	23
E-2 PACKAGING	23
E-3 DELIVERY.....	24
E-4 OTHER DIRECT SELLING EXPENSES	25
E-5 OTHER ADJUSTMENT CLAIMS	25
SECTION F THIRD COUNTRY SALES.....	26
F-1 THIRD COUNTRY SALES PROCESS	26
F-2 THIRD COUNTRY SALES LISTING	26
F-3 DIFFERENCES IN SALES TO THIRD COUNTRIES	26
SECTION G COST TO MAKE AND SELL.....	28
G-1. PRODUCTION PROCESS	28
G-2. COST ACCOUNTING PRACTICES.....	28
G-3 COST TO MAKE ON DOMESTIC MARKET	30
G-4 SELLING, GENERAL & ADMINISTRATIVE EXPENSES.....	30
G-5 COST TO MAKE THE GOODS EXPORTED TO AUSTRALIA.....	31
G-6 COST ALLOCATION METHOD	31
G-7 MAJOR RAW MATERIAL COSTS	32
G-8 RECONCILIATION OF COST TO MAKE TO AUDITED FINANCIAL STATEMENTS	33
G-9 PRODUCTION OF THE GOODS UNDER CONSIDERATION	33
G-10 CAPACITY UTILISATION	34
SECTION H PARTICULAR MARKET SITUATION.....	36
H-1 REPORTING REQUIREMENTS.....	36
H-2 BUSINESS STRUCTURE, OWNERSHIP AND MANAGEMENT	36
H-3 LICENSING.....	37

H-4	DECISION-MAKING, PLANNING AND REPORTING	39
H-5	FINANCIAL AND INVESTMENT ACTIVITIES	39
H-6	GOVERNMENT POLICY ON THE INDUSTRY	40
H-7	TAXATION.....	41
H-8	SALES TERMS.....	41
H-9	INDUSTRY ASSOCIATIONS	42
H-10	STATISTICS SUBMISSION/RECORDING	43
H-11	PRODUCTION/OUTPUT	43
H-12	ADDING CAPACITY AND/OR JOINT VENTURES	44
H-13	RAW MATERIALS	44
SECTION I DOMESTIC MARKET		46
I-1	PREVAILING CONDITIONS OF COMPETITION IN THE DOMESTIC MARKET	46
I-2	GOODS IN THE DOMESTIC MARKET	48
I-3	RELATIONSHIP BETWEEN PRICE AND COST IN THE DOMESTIC MARKET	48
I-4	MARKETING AND SALES SUPPORT IN THE DOMESTIC MARKET.....	51
SECTION J AUSTRALIAN MARKET		53
J-1	PREVAILING CONDITIONS OF COMPETITION IN THE AUSTRALIAN MARKET	53
J-2	GOODS IN THE AUSTRALIAN MARKET	54
J-3	RELATIONSHIP BETWEEN PRICE AND COST IN AUSTRALIA	55
J-4	MARKETING AND SALES SUPPORT IN THE AUSTRALIAN MARKET	58
EXPORTER'S DECLARATION		59
APPENDIX GLOSSARY OF TERMS		60

INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the commission) is conducting a dumping investigation into certain welded steel mesh sheets exported to Australia from the People's Republic of China (China) and Malaysia.

The commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether certain welded steel mesh sheets is dumped..

The Commission will collect and use information in accordance with its [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 inquiry 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 questionnaire. 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 checked="" 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"/>
Section H Particular market situation (China only)	<input checked="" type="checkbox"/>
Section I Domestic Market	<input checked="" type="checkbox"/>
Section j Australian Market	<input checked="" type="checkbox"/>
Exporter's declaration	<input checked="" type="checkbox"/>
Non-confidential version of this response	<input checked="" type="checkbox"/>

Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	<input checked="" type="checkbox"/>
B-2.2 Australian sales source	<input checked="" type="checkbox"/>
B-4 Upwards sales	<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 checked="" type="checkbox"/>
G-5.2 Australian CTM source	<input checked="" 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 under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices, are:

Steel mesh sheets, welded at the intersection, of longitudinal and transverse members with cross-sectional diameters of between 3mm to 14mm (inclusive) and having at least one aperture size of 80cm² or more.

Sheets of the subject welded steel mesh have a maximum nominal length of up to and including 15 metres and includes sheets that may have bends.

The goods under consideration do not include welded steel mesh sheets made from stainless steel as defined under Note 1(e) to Chapter 72, Schedule 3 of the Customs Tariff Act 1995.

The goods include all welded steel mesh sheets meeting the above description irrespective of steel surface profile, alloy content or coating.

Further information

Aperture size' refers to the nominal area calculated by multiplying the distance between the longitudinal members and the transverse members. For example, an aperture size of 80 cm² may denote an aperture with longitudinal members 8cm apart and transverse members 10cm apart.

'Length' is measured from the ends of the longitudinal members.

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.

Category	Sub-category	Identifier	Sales Data	Cost data	Key category
Prime	Prime	P	Mandatory	Mandatory	Yes
	Non-Prime	N			
Coating	Plated or coated with zinc or with zinc alloys (e.g., zinc-aluminium, zinc-aluminium-magnesium)	G	Mandatory	Mandatory	Yes
	Other coatings (e.g., paint, plastics, polyvinyl chloride, epoxy resin)	O			
	No coating	N			
Highest nominal cross-sectional diameter (millimetres or "mm") of longitudinal members	Greater than or equal to 3 and less than 6	A	Mandatory	Optional	Yes
	Greater than or equal to 6 and less than 12	B			
	Greater than or equal to 12 and less than or equal to 14	C			
Sheet sized measured by nominal area (sheet length x sheet width in m ²)	Less than or equal to 3	S	Mandatory	Optional	Yes
	Greater than 3 and less than or equal to 6	M			
	Greater than 6 and less than or equal to 9	L			
	Greater than 9	XL			

In constructing a MCC, use a "-" between each category. For example: **P-G-A-L**

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: [REDACTED]
 Position in the company: **Export manager**
 Telephone: **+86 13501021839**
 E-mail address: **ts@xgmesh.com**

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

Australian counsel:	
Name:	Mr. John Bracic J.Bracic & Associates Pty Ltd
Address:	PO Box 3026, Manuka, ACT 2603
Telephone:	+61 499 056 729
E-mail address:	john@jbracic.com.au
Chinese counsel:	
Name:	Mr. Fumao HU (Marco) Partner & Attorney at law, Beijing Dacheng Law Offices (Chongqing)
Address:	27-29, Tower A, Guohua Finance Center, 9 Juxiyanan Plaza, Jiangbeizui, Jiangbei District, Chongqing, China
Telephone:	+86 135 2023 7767
E-mail address:	fumao.hu@dentons.cn shubin.ran@dentons.cn hui.shao@dentons.cn yinghan.yan@dentons.cn xiangnan.guo@dentons.cn

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.

The financial records of Beijing Xingtai Steel Weldmesh & Technology Development Co., Ltd. are held at the domicile, which is located at No. 12 Huanke Zhong Road, Jinqiao Technology Industria Base, Zhongguancun Tongzhou Science Park, Beijing, P.R.China.

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

The company's production records are also held at the company domicile as mentioned above.

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

As mentioned before, the production plant manufacturing the goods under consideration is also located at the above mentioned address.

A-2 Company information

1. What is the legal name of your business?

The legal name of the company is Beijing Xingtai Steel Weldmesh & Technology Development Co., Ltd.(hereinafter referred to as Xingtai Steel).

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

The company does not trade under a different name or brand.

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

The company was never known as a different legal or trading name.

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

The current board of directors and changes in the last two years are as follows:

Current board of directors	Board of directors between Oct 2023 and Sep 2024	Board of directors between Oct 2022 and Sep 2023

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

Please refer to [Exhibit A-2.5 Group Corporate Structure](#) for the ownership structure with all the related companies and their functions.

6. Is your company or parent company publicly listed?

If yes, please provide:

- (c) The stock exchange where it is listed and
- (d) Any principal shareholders¹

If no, please provide:

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

Neither the parent company Xingtai Iron & Steel Corp., Ltd. nor Xingtai Steel is a publicly listed company. For all principal shareholders and the shareholding percentages, please refer to [Exhibit A-2.5 Group Corporate Structure](#).

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.

The company is dedicated to production and sale of steel mesh sheets used in all fields. and the products have covered most places in China, including different provinces, districts and cities as well as the oversea markets. In addition, it also products and sells semi-finished products cold rolling products and straightening products.

For the details of the products, please refer to [Exhibit A-2.7 Company Brochure](#).

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.

Not applicable. Xingtai Steel performs all of the following functions.

9. Provide your company's internal organisation chart.

Please refer to [Exhibit A-2.9 Internal Organization](#) for the details.

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

Please refer to [Exhibit A-2.9 Internal Organization](#) for the relevant information.

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

Please refer to [Exhibit A-2.7](#) for the company brochure

A-3 General accounting information

1. What is your financial accounting period?

The accounting period is the same as the calendar year, i.e. from 1 January to 31 December.

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

The financial accounts are audited, but the auditor is not fixed. For example, the auditor for the 2023 annual audit report is [REDACTED], but for the 2024 year, the auditor changed to [REDACTED].

3. What currency are your accounts kept in?

The accounts are kept in Chinese RMB.

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

The financial accounting system is [REDACTED].

5. What is the name of your sales system?

The sales system is [REDACTED].

6. What is the name of your production system?

Xingtai Steel does not have a 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.

The accounting system and sales system are the same system.

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

The accounting practices of the company do not differ from the generally accepted accounting principle in China.

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

There are no changes to the accounting practices and policies over 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 [Exhibit A-4.1 Audit Reports](#) for the company's annual audit reports for the year of 2023 and 2024.

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.

Please refer to [Exhibit A-4.1 Audit Reports](#) for the company's annual audit reports for the year of 2023 and 2024.

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.

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.

Not applicable.

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 [Exhibit A-4.5 Income Statements](#) covering the most recent financial period and the period of 1 October 2024 to 30 September 2025.

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 [Exhibit A-4.6 Trial Balance](#) covering the period of 1 October 2024 to 30 September 2025 and the most recent financial year.

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

Please refer to [Exhibit A-4.7 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

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

For the export sales process of the goods under consideration, Xingtai Steel conducts marketing and advertising activities on its own behalf and negotiates sales terms and contracts directly with its Australian customers by using the software WeChat or E-mail.

When Xingtai Steel receives the order or deposit, it usually takes [redacted] days depends on the order quantities for the plants to complete the production process. After the production finishes, the company arranges and pays for the inland transportation and port handling charges and other charges depending on the delivery terms. The delivery terms for Australian exports during the investigation period are in [redacted], [redacted] or [redacted].

After signing the contracts, the customers usually are asked to pay [redacted]% of the total cargo value to Xingtai Steel by T/T and the balance price should be paid after receiving copy of full documents including telex released Bill of Lading by T/T. The commercial invoices are usually issued when the goods finish production and are ready for customs declaration.

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?

Xingtai Steel uses US dollars in the Commercial Invoice for goods exported to Australia. The customer pays Xingtai Steel in US dollars. The accounting system uses the exchange rate at the beginning of each month. The company does not use forward contracts to lock in the foreign exchange rate relating to the export sales.

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.

Not applicable. The Australian customers are all unrelated.

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

Not applicable. Xingtai Steel doesn't use a price list. The sales price is determined by the price of raw materials like rod in coil or rod bars and adding processing cost. The price of the rod in coil or rod bars depends on the market price.

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.

Not applicable. The selling prices do not vary according to different distribution channels.

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.

Not applicable.

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.

Not applicable.

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:
- (a) Are you claiming a date other than the invoice date as the date of sale?
 - (b) If you are claiming a date other than the invoice date as the date of sale, why does this date better reflect the material terms of sale? Provide evidence to support your claim. 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.

Note that any date of sale claim, other than the invoice date, that is made after submitting a response to this questionnaire may not provide the commission with sufficient time to assess the claim and may not be considered.

Xingtai Steel agrees to use the date of invoice to determine the date of sale.

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.
 - 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.

Please refer to Worksheet B-2 Australian sales for the information.

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".

Please check Worksheet B-2.2 Australian sales source for the information.

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, remittance advice 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.

Please refer to [Exhibit B-3.1 Export Samples](#) for the documents related to two largest invoices by value.

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.

Please refer to [Exhibit B-3.1 Export Samples](#) for the reconciliation.

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.

Please refer to [Worksheet B-4 Upwards sales](#) for the reconciliation.

2. Please provide all source documents & worksheets, other than those in A-4, B-2 and D-2, required to complete the “B-4 Upwards sales” worksheet.
 - For example, worksheets (e.g. a master sales listing) showing how you identified and categorised:
 - Sales of the goods under consideration and other sales (e.g. non-goods or services)
 - Domestic, Australian and third country sales of the goods under consideration
 - If the documents include spreadsheets, all formulas used must be retained
 - There must not be any balancing amounts. All amounts must be supported by source documents.

The documents used to complete B-4 include income statement, trial balance, main operating income subledger, export sales listing and domestic invoice listing. Please refer to [Worksheet B-4 Upwards sales](#) for the details.

3. For all amounts 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.

Not applicable.

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.

For most of exports of welded mesh sheets to Australia, they are uncoated, while a few have a galvanized coating. The nominal longitudinal section diameter of the wire mesh ranges from 4 mm to 11.9 mm, and the nominal transverse section diameter ranges from 4 mm to 9.5 mm. Both the longitudinal and transverse spacing range from 100 to 300mm, and the aperture size ranges from 100 to 900 square centimeters. The steel mesh sheet sold in Australia market applies to AS/NZS 4671 G500 ACRS.

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.

The MCCs of like goods reported in B-2 are as follows:

MCCs
P-G-A-M
P-G-A-XL
P-G-B-XL
P-N-A-XL
P-N-B-L
P-N-B-M
P-N-B-S
P-N-B-XL

For detailed MCC coding of the like goods, please refer to worksheet B-2.

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.

All like goods sold on the domestic market are uncoated. The nominal longitudinal section diameter ranges from 4 mm to 12 mm, and the nominal transverse section diameter ranges from 4 mm to 12 mm. The longitudinal spacing ranges from 90 mm to 250 mm, while the transverse spacing ranges from 90 mm to 300 mm. The aperture size ranges from 81 cm² to 625 cm².

The steel mesh sheets sold in the domestic market conform to GB/T 1499.3-2022 and YB/T 4262-2011.

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.

The MCCs of like goods reported in D-2 are as follows:

MCCs

P-N-A-S
P-N-A-XL
P-N-B-L
P-N-B-M
P-N-B-S
P-N-B-XL
P-N-C-M
P-N-C-XL

For detailed MCC coding of the like goods, please refer to worksheet D-2 domestic sales.

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.

The company does not use product codes or stock keeping unit (SKU) codes.

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

Xingtai Steel has its own sales team to serve its domestic customers. Generally speaking, the customers negotiate sales terms including the price, delivery terms and payment terms with the company according to the market situations.

After the customers place an order, it usually takes [redacted] days depends on the actual order quantities for the plants to complete the production process according to different processing requirements and materials used. The company will deliver the products to the customers, or the customers will pick up the products by themselves according the delivery terms negotiated in the sales contracts.

The company invoices the customers by VAT invoices after the products finish production and are ready to deliver. Then, the customers will pay the company according to the payment terms agreed in the sales contracts.

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.

No, all the domestic customers are unrelated to Xingtai Steel.

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

Not applicable as there is no price list.

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.

Not applicable as the domestic selling prices do not vary according to the distribution channel.

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.

Not applicable. There are not on-invoice discounts and/or off-invoice rebates.

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.

Not applicable. The company did not issue credit or debit notes.

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:
- Are you claiming a date other than the invoice date as the date of sale?
 - If you are claiming a date other than the invoice date as the date of sale, why does this date best reflect the material terms of sale? Provide evidence to support your claim. 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.

Note that any date of sale claim, other than the invoice date, that is made after submitting a response to this questionnaire may not provide the commission with sufficient time to assess the claim and may not be considered.

Xingtai Steel agrees with the commission in using the invoice date as the date of sale.

D-2 Domestic sales listing

- 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.

Please check the worksheet D-2 for domestic sales listing.

- 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 the worksheet D-2.2 for domestic sales source.

D-3 Sample domestic sales documents

- 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, remittance advice 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 refer to [Exhibit D-3.1 DM Samples](#) for domestic sales documents.

- 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 check each sample folder in [Exhibit D-3.1 DM Samples](#) for the reconciliation details.

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.
 - 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 the worksheet B-4.

2. Please provide all documents and worksheets, 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.
 - For example, worksheets (e.g. a master sales listing) showing how you identified and categorised:
 - Sales of the goods under consideration and other sales (e.g. non-goods or services)
 - Domestic and third country sales of the goods under consideration
 - If the documents include spreadsheets, all formulas used must be retained
 - There must not be any balancing amounts. All amounts must be supported by source documents.

Please refer to the worksheet B-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.

Please refer to the worksheet B-4.

SECTION E DUE ALLOWANCE

E-1 Credit expense

1. For each Australian customer of the goods and each domestic customer of like goods, calculate the average credit period for that customer by:
 - Calculating the average accounts receivable over the period for that customer.
 - This is usually calculated by summing the average monthly accounts receivable (opening plus closing divided by 2) over the period and dividing it by 12.
 - If there is a more accurate way of calculating the average accounts receivable (e.g. the customer only made purchases in certain months) then use an alternative method.
 - Calculating the accounts receivable turnover over the period for that customer using the formula:

$$\frac{\text{Net sales revenue over the period}}{\text{Average accounts receivable}}$$

- Calculating the average credit period for that customer using the formula:

$$\frac{365}{\text{Accounts receivable turnover}}$$

We calculated payment terms for Australian and domestic customers, based on accounts receivable and above formula. Please refer to [Exhibit E-1.1 Customers payment terms for the details](#).

2. 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?

Not applicable. The company had no short term borrowings or an overdraft facility denominated in local currency during the investigation period.

3. Do you have any interest earning deposits or other cash product (e.g. term deposits, bonds) denominated in your local currency? If yes, what is the interest rate, or average of interest rates?

Not applicable. The company had no interest earning deposits or other cash product denominated in local currency during the investigation period.

4. If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):

- (a) 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?
- (b) Do you have any interest earning deposits or other cash product (e.g. term deposits, bonds) denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?

Not applicable. The company had no interest earning deposits or other cash product denominated in foreign currency.

E-2 Packaging

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

Not applicable. The goods under consideration, whether for domestic or Australian sales, are not packaged and are directly loaded onto vehicles.

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

Not applicable. The goods under consideration, whether for domestic or Australian sales, are not packaged and are directly loaded onto vehicles.

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

Not applicable. The goods under consideration, whether for domestic or Australian sales, are not packaged and are directly loaded onto vehicles.

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?

Yes, for certain domestic customers, the trade term is Delivered. Consequently, Xingtai Steel is responsible for the inland freight costs. These costs are captured under the general ledger account code [REDACTED] (Selling Expenses / Freight & Transportation / Truck Freight / Domestic Sales). Within this account, we identify and allocate expenses based on voucher descriptions associated with domestic sales. For a detailed breakdown of the allocation methodology, please refer to [Exhibit E-3.1 Inland freight allocation for DM sales](#).

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

The delivery terms for sales from Xingtai Steel to Australian customers vary by transaction, primarily encompassing [REDACTED], [REDACTED], and [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?

The inland transport was reported based on the actual settlement price with logistic agency. In [Exhibit E-3.3 Export expenses](#), we provided a complete set of logistics invoices and billing details for [REDACTED] and [REDACTED], the delivery term of which are [REDACTED] to show how we report inland freight, port handling charges, ocean freight and marine insurance and how these actual expenses reconciled to invoices.

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?

The port handling fees was reported based on the actual settlement price with logistic agency. In [Exhibit E-3.3 Export expenses](#), we provided a complete set of logistics invoices and billing details for [REDACTED] and [REDACTED], the delivery term of which are [REDACTED] to show how we report inland freight, port handling charges, ocean freight and marine insurance and how these actual expenses reconciled to invoices.

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?

The ocean freight cost was reported based on the actual settlement price with logistic agency. In [Exhibit E-3.3 Export expenses](#), we provided a complete set of logistics invoices and billing details for [REDACTED] and [REDACTED], the delivery term of which are [REDACTED] to show how we report inland freight, port handling charges, ocean freight and marine insurance and how these actual expenses reconciled to invoices.

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?

The marine insurance was reported based on the actual settlement price with logistic agency. In [Exhibit E-3.3 Export expenses](#), we provided a complete set of logistics invoices and billing details for [REDACTED] and [REDACTED], the delivery term of which are [REDACTED] to show how we report inland freight, port handling charges, ocean freight and marine insurance and how these actual expenses reconciled to invoices.

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 stated, the applicable trade terms are [REDACTED], [REDACTED], and [REDACTED]. Therefore, under these terms, Xingtai Steel is not responsible for paying import duties.

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.

No commissions are provided for domestic sales and 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?

During the period, the VAT rate is 13% and refund rate is 13% for the GUC.

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?

There are no other direct selling expenses incurred in relation to domestic sales.

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?

There are no other direct selling expenses incurred in relation to Australian sales.

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 and supporting documentation.
 - 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)*² for more information.

No.

² 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 process for the goods under consideration sold to the third countries is no different from the sales process for GUC sold to Australia.

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.

No, all the third customers are unrelated to Xingtai Steel.

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.

Xingtai Steel agrees with the commission in using the invoice date as the date of sale.

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 refer to the worksheet F-2 for 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 consult the worksheet F-2.2 for the information on 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.

In fact, for Xingtai Steel, the sales processes to Australia and to third countries follow largely the same procedure, with the only minor distinction being the applicable trade terms. Sales

to Australia can be concluded under [REDACTED], [REDACTED], or [REDACTED] terms, whereas sales to third countries exclusively use [REDACTED].

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.

From rod in coil to steel mesh sheet, it mainly goes through three processes, which are cold rolling, straightening and mesh welding. Please refer to [Exhibit G-1.1 Production Process](#) for the specific information.

Besides, scrap and iron oxide are generated during the production process. There are no by-products resulted from the production process.

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.

Only one supplier [REDACTED] is related to Xingtai Steel which provides the goods to Xingtai Steel as raw materials to manufacture the goods under consideration. The quantity of the goods purchased by Xingtai Steel from the related company accounts for [REDACTED] % of the total quantity, and the remaining [REDACTED] % is purchased mainly from unrelated companies.

G-2. Cost accounting practices

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

The company's cost accounting system is based on 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.

Not applicable.

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

The cost is recorded by following the production process. Each major production step is a cost center. Xingtai Steel has three cost centers, which are cold rolling, straightening and mesh welding. And each one will record the total raw material inputs of current stage, full-simi-finished manufacturing cost transferred from last step, labor costs, manufacturing overheads and other costs incurred in that cost center and then allocate these total costs on weight basis on monthly basis.

When the products finish production and proceed to the next production stage, the cost data incurred in the cost center will be transferred to the next step as raw material inputs. In the end when the whole production finishes, the finished goods are transferred to the warehouse and the total manufacturing costs can be recorded at the debit side of the finished goods ledger.

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.

Xingtai Steel has three cost centers, which are cold rolling, straightening and mesh welding. Please refer [Exhibit G-2.4 Cost Flowchart](#) for the details.

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

In the process of cost accounting, each production step is treated as a cost center. The costs incurred at that step—including various expenses and the full cost of semi-finished products transferred from the previous step—are accumulated and then divided by the total output of that step to calculate an average cost per month. This average cost is used as the transfer price for the semi-finished products issued to the next step. Therefore, in the company's day-to-day cost accounting, each step only has a single overall average cost, which does not vary based on sheet size or wire rod diameter. Please refer to [Spreadsheet G-3 Domestic CTM by step](#) and [Spreadsheet G-5 Australian CTM by step](#) for the detailed data.

However, to meet the requirements of the questionnaire for reporting costs according to specified MCC codes, we first grouped different products based on the MCC classification rules using the workshop's monthly production summary data (see sheet "Production details" of "spreadsheet G-3 Domestic CTM & G-5 Australia CTM"). After aggregating the output by MCC, we applied the quarterly average cost of the step of mesh welding to complete [Spreadsheet G-3 Domestic CTM by MCC](#) and [Spreadsheet G-5 Australian CTM by MCC](#). Please see [Spreadsheet G-3 Domestic CTM & G-5 Australia CTM](#) for the details.

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

Not applicable.

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.

The company has not engaged in start-up operations.

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)?

Inventories are measured at actual cost upon acquisition and, upon their release (including raw materials and finished goods), are valued using the "Weighted Average Costing at Month-End".

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

Not applicable.

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

Scrap steel recovered will be sold externally, and the actual market price obtained from such sales will be used to offset production costs.

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

No.

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 refer to spreadsheet [G-3 Domestic CTM & G-5 Australia CTM](#).

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 refer to the spreadsheet [G-3.2 domestic CTM source](#).

G-4 Selling, General & Administrative expenses

1. Complete the worksheet named "G-4.1 SG&A listing".
 - This worksheet lists all selling, general and administrative expenses by accounting code for the most recent accounting period and the period. The SG&A must also include:
 - finance expenses
 - taxes and surcharges (except income/profit tax).
 - In the column "Is it a direct selling expense", identify expenses related to direct selling expenses (e.g. inland transport) that has been reported in B-2 Australian sales and/or D-2 Domestic sales.
 - In the column "Is it provisional or unrealised?", identify any accounts that are not actual or realised, such as:
 - unrealised foreign exchange gains/loss
 - provision for doubtful debt
 - In the column "Is it only related to exports or non-goods?", identify any accounts that are related only to either:
 - export sales
 - products that are not the goods under consideration.
 - 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 refer to the worksheet [G-4.1 SG&A 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 refer to the worksheet [G-4.2 Domestic SG&A calculation](#).

3. Complete the worksheet named "G-4.3 Upwards SG&A" to demonstrate that the SG&A listing in G-4.1 is complete by reconciling the SG&A listing to the trial balance and the audited income statement.
 - You must provide this list in electronic format using the template provided.
 - Please use the formulas provided.

- If you have used formulas to complete this worksheet, these formulas must be retained.

[Please refer to the worksheet G-4.3 Upwards SG&A.](#)

4. Please provide the relevant general ledgers (i.e. the detailed listings) of all SG&A accounts (in Excel) covering the period and the most recent financial year.

[Please refer to worksheet G-4.1 SG&A listing for the details.](#)

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.

[Please refer to spreadsheet G-3 Domestic CTM &G-5 Australia CTM.](#)

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".

[Please refer to the worksheet G-5.2 Australian CTM source.](#)

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

[In the process of cost accounting, each production step is treated as a cost center. The costs incurred at that step—including various expenses and the full cost of semi-finished products transferred from the previous step—are accumulated and then divided by the total output of that step to calculate an average cost per month. This average cost is used as the transfer price for the semi-finished products issued to the next step. Therefore, in the company's day-to-day cost accounting, each step only has a single overall average cost, which does not vary based on sheet size or wire rod diameter. Please refer to \[Spreadsheet G-3 Domestic CTM by step\]\(#\) and \[Spreadsheet G-5 Australian CTM by step\]\(#\) for the detailed data.](#)

[However, to meet the requirements of the questionnaire for reporting costs according to specified MCC codes, we first grouped different products based on the MCC classification rules using the workshop's monthly production summary data \(see sheet "Production details" of "spreadsheet G-3 Domestic CTM &G-5 Australia CTM"\). After aggregating the output by MCC, we applied the quarterly average cost of the step of mesh welding to complete \[Spreadsheet G-3 Domestic CTM by MCC\]\(#\) and \[Spreadsheet G-5 Australian CTM by MCC\]\(#\). Please see \[Spreadsheet G-3 Domestic CTM &G-5 Australia CTM\]\(#\) for the details.](#)

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-6.2.1 Worksheet for G-3 &G-5 CTM](#), [Exhibit G-8.3 140401&140402&140501 subledger](#), [Exhibit G-8.4 640101&640102 subledger](#) and [Spreadsheet G-8 Upwards cost for the demonstration of cost allocation and upwards cost reconciliation](#).

G-7 Major raw material costs

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

The major raw materials used in the manufacture of the goods is rod bar in coil, rod bar and wire rod.

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.

Not applicable.

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 refer to Spreadsheet G-3 Domestic CTM &G-5 Australia CTM for the information. The weighted average percentage of wire rod cost (listed in G-7.1) as a proportion of total cost to make of “Self-produced semi-finished products of cold-rolled bar after cold rolling process” is 10%.

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 refer to the worksheet G-7.4 for the information.

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

Please refer to the worksheet G-7.4 for the information.

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 refer to [Exhibit G-7.6 Raw Material Samples](#) for the raw material purchase documents and reconciliation details.

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.

The supplier [REDACTED], is related to Xingtai Steel. And the purchase price is based on the market price.

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.

Please refer to the spreadsheet [G-8 Upwards costs](#).

2. Please provide all documents and worksheets, other than those in A-4, G-3 and G-5, required to complete the “G-8 Upwards costs” worksheet.
- For example, worksheets showing how you identified and categorised the cost to make:
 - the goods under consideration and other costs (e.g. non-goods or tolling services)
 - Domestic, Australian and third country goods under consideration
 - If the documents include spreadsheets, all formulas used must be retained.
 - There must not be any balancing amounts. All amounts must be supported by source documents or worksheets.

Please refer to [Exhibit G-6.2.1 Worksheet for G-3 &G-5 CTM](#), [Exhibit G-8.3 140401&140402&140501 subledger](#), [Exhibit G-8.4 640101&640102 subledger](#) and [Spreadsheet G-8 Upwards cost](#) for the demonstration of cost allocation and upwards cost reconciliation.

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.

Please refer to [Exhibit G-6.2.1 Worksheet for G-3 &G-5 CTM](#), [Exhibit G-8.3 140401&140402&140501 subledger](#), [Exhibit G-8.4 640101&640102 subledger](#) and [Spreadsheet G-8 Upwards cost](#) for the demonstration of cost allocation and upwards cost reconciliation.

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.

Upon completion of production and warehousing, products are either physically weighed or calculated based on theoretical weight, subject to the requirements of different customers and sales regions.

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 sheet “Production details” of “spreadsheet G-3 Domestic CTM &G-5 Australia CTM” in which we provided the monthly production statistics for products of different specifications from the finished goods warehouse.

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”.

Not applicable.

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 volumes are totally based on the purchase order.

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

Not applicable.

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.

Please refer to the worksheet G-10 Capacity Utilisation.

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

For the calculation of the production capacity, it includes the number of normal shifts and hours of plant operation; machinery and equipment in operation; scheduled stops for setup (exchange of products), periodic preventive maintenance, repair, cleaning, shift changes, rest and meals intervals, quality sampling, etc.; full availability of labor, raw materials, utilities and other input; and only the conditions usually used by the company for the use of contracting services or the use of production facilities outside the plant.

Capacity utilization is equal to the actual capacity divided by the designed capacity.

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 warehousing facilities of Xingtai Steel are not differentiated according to the type of goods. Thus, a warehouse may store both the goods as the raw materials and other products. Each warehouse can store about [REDACTED] tons of products. Since Xingtai Steel produces its products based on customer orders, so the warehouse is mainly used for temporary storage of finished products to be transported.

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, there is no change in the type of capital and technology utilized by Xingtai Steel.

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 production capacity hasn't changed over the past five years.

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.

SECTION H PARTICULAR MARKET SITUATION

Mandatory response for Chinese exporters

H-1 Reporting requirements

1. Describe generally all interaction that your business has with the Government of China at all levels, including (but not limited to):
 - (a) reporting requirements
 - (b) payment of taxes
 - (c) senior management representation within your business
 - (d) supervision by the State-owned Assets Supervision and Administration Commission (SASAC) or a body under the control of SASAC
 - (e) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions)
 - (f) licensing
 - (g) restrictions on land use
 - (h) provision of loans or
 - (i) provision of grants, awards or other funds

Xingtai Steel has little interaction with the GOC other than normal administrative dealings such as filing tax returns, applying for business licence and etc.

H-2 Business structure, ownership and management

1. Indicate whether your company is a state-owned or state-invested enterprise (SIE)
 - A state owned enterprise refers to any company or enterprise that is wholly or partially owned by the Government of China (either through direct ownership or through association).

Xingtai Steel is neither a state-owned nor state-invested enterprise (SIE).

2. List the Board of Directors and Board of Shareholders of your business and all other entities/businesses your business is related to.

For the board of directors of the company and its related companies, please refer to [Exhibit H-2.2 Board of Directors](#) for the names.

For the board of shareholders of the company and the related business, please refer to [Exhibit A-2.5 Group Corporate Structure](#) for the details.

3. Indicate the names of common directors and officers between your business and related businesses, where applicable.

Please refer to [Exhibit H-2.2 Board of Directors](#) for the information of the common directors and officers.

4. Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders representatives, employees, or otherwise affiliated with the Government of China (at any level, from any agency, party, or otherwise associated entity, including SASAC)? If yes, identify the individuals, their role on that Board and their affiliation with the Government of China.

No.

5. Does your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders have a representative from the Chinese Communist Party (CCP)? If yes, identify their name and title and indicate their position at the board level.

No.

6. Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders appointed, managed or recommended by the Government of China? If yes, identify any relevant government department(s) they are affiliated with.

No.

7. Indicate who owns what percentage of all shares in your business and identify whether they are:
- an affiliate, representative, agency or otherwise representative of the Government of China
 - employees of your business
 - foreign investors or
 - other (please specify)

Not applicable. Please refer to [Exhibit A-2.5 Group Corporate Structure](#) for the shareholding information of the company.

8. Provide the details of any significant changes in the ownership structure of your business during the period.

There is no significant change in the ownership structure of Xingtai Steel during the period.

9. Identify any positions within your business that are appointments or designated to act on behalf of Government of China authorities.

Not applicable.

10. Explain whether there are requirements in law and in practice to have government representation at any level of your business. If there is such a requirement, explain the role of government representatives appointed to any level of your business.

No requirement in law or in practice require government representation at any level of the business of Xingtai Steel.

11. If your business is a publicly-traded company, what are the rules regarding the issuance of shares by your business? Identify any stock exchanges on which your business is listed.

Not applicable.

12. Provide the monthly trading volume and average monthly trading price of your listed security over the period.

Not applicable.

13. Who has the ability to reward, fire or discipline your business' senior managers?

The company or, to be more specific, the board of directors of the company have the power to manage the senior managers.

14. Do any of your company's senior managers hold positions in any Government of China departments or organisations, associations or Chambers of Commerce? If yes, describe the nature of these positions.

No, none of the company's senior managers hold positions with Government.

15. Provide the names and positions of your company's pricing committee.

Not applicable.

H-3 Licensing

1. Provide a copy of your business license(s).

Please refer to [Exhibit H-3 Business License](#).

2. Identify the Government of China departments or offices responsible for issuing the license(s).

Please refer to [Exhibit H-3 Business License for the registration authority](#).

3. Describe the procedures involved in applying for the license(s).

Firstly, the company needs to apply for registration, which can be processed either online or at the registration office. The main materials required for application include application for company registration (filing), articles of association of the company, copy of shareholders' ID cards, lease agreement for the company domicile, and notice of enterprise name verification.

Then, the authority will review these materials and issue a "Notice of Registration" or "Notice of Non-registration" to the company after the review. The review process is very efficient and only takes 1-2 days.

After receiving the "Notice of Registration", the company can visit the registration office and pick up the business license.

4. Describe any requirements or conditions that must be met in order to obtain the license(s).

Any company established in accordance with the Company Law of the PRC is eligible to obtain the business license.

5. Describe and explain any restrictions imposed on your business by the business license(s).

Xingtai Steel can only engage in the business activities in the scope of business stated in the business license.

6. Describe any sanctions imposed on your business if you act outside the scope of your business license(s).

If any of the items stated in the business license is changed, the company shall apply for the modification of the registration, and the registration authority shall replace the old business license.

7. Describe and explain any rights or benefits conferred to your business under the license(s).

The business license is only for registration purpose. No benefits or rights conferred to the business license.

8. Describe the circumstances under which your business license(s) can be revoked, and who has the authority to revoke the license(s).

The business license can be revoked for any of the circumstances outlined in the relevant provisions of Regulation of the People's Republic of China on the Administration of the Registration of Market Entities (the Registration Regulation) and the Company Law.

According to Article 40 of the Registration Regulation, "where a market entity is registered by the submission of false materials or concealing important facts by other fraudulent means (emphasis added, the natural person, legal person or any other organization affected by the false registration of the market entity may apply to the registration authority for revoking the registration of the market entity. The registration authority shall, after accepting the application, conduct investigation in a timely manner. If false registration of a market entity is ascertained upon investigation, the registration authority shall revoke the registration of the market entity...."

H-4 Decision-making, planning and reporting

1. Provide a description of your business' decision-making structure in general and in respect of the goods. This should identify the persons or bodies primarily responsible for deciding:
 - a. what goods are produced
 - b. how the goods are produced
 - c. how levels of inputs such as raw materials, labour and energy are set and secured
 - d. how the use of your outputs, such as product mix, is determined and
 - e. how your business' profit is distributed.

The Board of Shareholders is primarily responsible for deciding the above-mentioned issues.

2. Provide a description of any Government of China input into the decision-making process respecting your manufacture, marketing and sale of the goods.

Not applicable.

3. Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of the goods.

Not applicable.

4. List and describe all reports that must be submitted to the Government of China periodically by your company, and identify the government department/office where each report is filed.

Not applicable.

5. Provide a copy of the last two Provincial/City Five Year Plans (including the appendices) for the province/city in which your business is located, whichever is applicable. The copies should be fully translated including the appendices, along with the original Chinese version.

Xingtai Steel is not aware of the existence of such documents.

6. Does your business develop any five-year plans or similar planning documents? If yes, provide copies of these plans and advise whether these plans have been submitted, reviewed or approved by the Government of China (including the National Development and Reform Commission).

No. No such business plans are developed.

7. Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the period.

There are no such minutes.

8. Provide copies of the notes to company meetings where pricing decisions on the goods under consideration have been made over the period.

There are no such minutes.

H-5 Financial and investment activities

1. Is your business debt funded? If yes, provide a list of all major lenders.

Not applicable.

2. What is the rate of interest paid by your business on all debt instruments over the last 5 years?

Not applicable.

3. Has your business benefited from any concessional interest rates for your loans/debts in the last 5 years? If yes, provide details.

Not applicable.

4. Has your business raised any capital using issuance of shares, preferential shares, rights issue, bonds, warrants, debentures, sub-ordinate loans or any other debt and/or equity instruments in the last 5 years? If yes:
- explain what instruments were used
 - identify the type (e.g government guarantee) and provider of the security and
 - explain the reasons for raising the capital.

No. No such capital raised.

5. Does your business have policies on how cash reserves are to be invested? If yes, provide details.

No. No such policies exist.

6. Has your business invested in either government or non-government debt securities (such as bonds, quasi-government bonds)? If yes, provide details (e.g. type of instrument, amount invested and the expected rate of return).

No. No such investment in debt securities.

H-6 Government policy on the industry

1. Are there any Government of China opinions, directives, decrees, promulgations, measures, etc. concerning industry of the goods that were put in place or operating during the period? If yes, please provide:
- copy of the documentation and a translation in English
 - documentation concerning the Government of China or any association of the Government of China's notification of the measures concerning the goods to your company during the period.

No. No such decisions relevant to the industry during the period.

2. Provide information concerning the name of any Government of China departments, bureaus or agencies responsible for the administration of all Government of China measures concerning the industry of the goods in the regions, provinces or special economic zones where your company is located, including contact information regarding the following areas:
- industrial policy and guidance on the industry
 - market entry criteria for the industry
 - environmental enforcement for the industry
 - management of land utilization
 - the China Banking Regulatory Commission for the industry
 - investigation and inspection of expansion facilities
 - the section in the National Development and Reform Commission that is responsible for the industry and
 - import licensing for raw materials relating to the goods under consideration.

Xingtai Steel has no details of responsible government departments.

3. Describe any role your company plays in the development of government's industrial plans and/or policies at all levels of government. For example, does your company provide information for, or request inclusion in, any plans, policies, or measures?

Not applicable.

- Does your company provide information relating to assessments of the implementation of the plan, policy or measure?

No. No such information provided.

- Has the Government of China designated your company and/or industry as “pillar,” “encouraged,” “honourable,” or any other designation? If yes, please answer the following questions.
 - Explain the purpose of these designations, the criteria for receiving any such designation, and the benefits or obligations that arise from each such designation.
 - Is there any connection between these designations and five-year plans or other industrial and/or economic policies or administrative measures?
 - Describe any instances in which your company cited Government of China plans, policies, or measures as support for receiving the financing that you report.

No. Xingtai Steel companies have no such designation.

H-7 Taxation

- Were there any export taxes on the exports of the goods during the period?

No. Not aware of any such export taxes.

- What was the value-added tax rebate applicable to exports of the goods during the period?

13%.

- Have there been any changes to the value-added tax rebate applicable to exports of the goods in the last 5 years? If yes, provide:
 - a detailed chronological history of the value-added tax rebate rates
 - products affected
 - the effective dates of the rate changes
 - fully translated copies of any Government of China notices regarding these changes, including the relevant appendices.

Please refer to the table below:

Period	VAT rate	VAT rebate rate	Non-refundable rate
Jan.1, 2004-May 1,2018	17%	13%	4%
May 1,2018-Apr.1,2019	16%	13%	3%
Apr.1,2019-till now	13%	13%	0%

- Are you aware of any tax changes being planned that would impact the industry?

No. Not aware of any planned tax changes.

H-8 Sales Terms

- Identify the person who authorises the sales terms, prices and other contract provisions for the sale of the goods by your business.

The sales manager of the company.

- Explain how the selling prices of the goods under consideration by your business are determined, including any Government of China involvement in your business’ pricing decisions, and indicate if the goods are subject to Government of China direct or indirect pricing or government guidance pricing.

The government has no involvement in the pricing decisions of the company.

- Does your business coordinate the selling prices or supply of the goods with other domestic producers or any Government of China departments? If yes, provide details.

No. Selling prices and supply of goods are not coordinated with other domestic producers or Government.

4. Explain whether your business provides information or data to the Government of China, other government officials or commercial/industry organisations, including those outside of China, which report on the industry.

No. No information is provided to Government.

5. Explain whether your business provides price data to any other person at the provincial, regional or special economic zone level of government.

No. No price data is provided to any level of Government.

6. Explain whether your business has encountered any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

No. No such price guidance or controls exist.

7. Explain whether your business has encountered any other restrictions, limitations, or other considerations imposed on your business.

No. No such restrictions imposed.

8. Which organisation/business entity do you consider as the price leader of the goods?

Xingtai Steel has no knowledge of the existence of such organization or entity.

9. Does your business have a pricing committee in respect of the goods? If yes, provide the names and positions of all members of the committee.

No. No such pricing committee exists.

10. How often does the pricing committee meet to discuss selling prices of the goods? Provide the minutes or any other relevant documents of all meetings of the pricing committee during the period.

Not applicable.

11. Identify the person who authorises the sales terms, prices and other contract provisions for the sale of the goods by your business.

All the sales terms, prices or other terms in the contracts are negotiated between Xingtai Steel and its customers. There is no such person who can authorize contract provisions.

12. If you have production facilities of the goods in more than one region and/or province, are the laws and regulations in each region the same with respect to pricing of the goods? If no, provide details on the differences.

Not applicable.

H-9 Industry associations

1. Is your business a member of any business or industry associations? If yes, explain your business' relationship with the association and the involvement of the Government of China with the associations.

Xingtai Steel is a member of Subcommittee of Welded Steel Fabric, China Steel Construction Society.

2. If your business is a member of an industry association, indicate whether this membership is voluntary or compulsory. Explain the functions that the association provides for your business.

Explain in detail the role of the association with respect to the directives as provided by the Government of China concerning the industry.

This membership is totally voluntary. Joining the Subcommittee of Welded Steel Fabric will help strengthen exchanges between enterprises, promote information sharing, and achieve market and industry norms.

H-10 Statistics submission/recording

1. Indicate if your business makes submissions to the Chinese Bureau of Statistics and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.

No. No submissions made to Bureau of Statistics.

2. Provide a recent example of a submission that has been made to the Bureau of Statistics and/or any other government organisation. For example, monthly data relating to sales, production and costs.

Not applicable.

3. Do the organisations approve or assess your submission? If yes, provide a detailed explanation.

Not applicable.

4. Do the organisations provide feedback on your submission? If yes, provide a detailed explanation.

Not applicable.

H-11 Production/output

1. Is any part of your production subject to any national/regional industrial policy or guidance? If yes, provide details including a background of the policy/guidance and explain any restriction imposed by the policy/guidance. To what extent are any of the policies/guidelines applicable to your business?

No. Production is not subject to such policy or guidance. Production depends on the customer's order volume.

2. Where applicable, how did your business respond to the policies/guidelines?

Not applicable.

3. Provide details regarding any other restrictions (e.g. geographic/regional, downstream, end use, etc.) to the sale of the goods and/or like goods that has been placed upon, or may be imposed, by the Government of China on your business.

Not applicable.

4. Provide a list of all your domestic customers of the like goods, include the location (city and province) of the customer and indicate whether each customer is an SIE.

Please refer to [Exhibit H-11.4 List of domestic customers](#) for the details.

5. Are there any restrictions and/or conditions in relation to the quality or quantity of the production of the goods placed upon your business? If yes, provide details.

No. No such restrictions exist.

6. Does your business require an export licence? If yes, provide details.

No. No such restrictions exist.

7. Are the goods sold by your business subject to any export restrictions and/or limits during the previous 5 year? If yes, provide details.

No. No such export restrictions exist.

8. Have there been any changes to your production capacity over the last 5 years? If yes, provide details.

There are no changes in the production capacity over these years.

9. Does your business benefit from any concession on the purchase of any utility services (e.g. electricity, gas, etc.)? If yes explain the nature and the amount of the concession?

No. No benefits received on purchase of utility services.

H-12 Adding capacity and/or joint ventures

1. Provide a detailed explanation with respect to the government approval process on adding capacity and/or joint ventures in relation to your business.

Not applicable.

2. Does the government have the right to request modifications in the terms of adding capacity and/or joint ventures? If yes, provide a detailed explanation.

No. Government does not possess such right.

H-13 Raw materials

1. Are any of the suppliers related or affiliated with you? If yes, provide details.

Yes. The supplier [REDACTED], is related to Xingtai Steel.

2. Do you purchase from State Invested Enterprises? If yes, provide a details.

No. All the supplier are not State Invested Enterprises.

3. If your supplier is based outside China, what import duty rate is applied on the raw materials?

Not applicable. All the suppliers are based in China.

4. Is there a price difference in purchase price for raw materials between your suppliers? If yes, provide a detailed explanation.

Price differences between suppliers are affected by factors such as time of order, quality specification and etc.

5. Describe in detail your business' purchase procedures of the raw materials, the considerations in selecting a supplier and how the price of the raw materials is determined between you and your suppliers. If it is by tenders, provide details of the criterions/conditions.

Xingtai Steel purchases raw materials according to its production schedules. The considerations in selection of a supplier include price offers, delivery time, quality specification and payment terms

Purchases are not made by tender.

6. Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of China during the period, with respect to raw material inputs.

No. No direct or indirect price guidance or controls exist with respect to raw material inputs.

7. If any of your raw materials for the goods and/or like goods are imported by your business, or related businesses:
 - a. Provide details including a description of the raw material imported, the supplier and country of origin.
 - b. Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).
 - c. Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).
 - d. Are you eligible for a duty drawback? If yes, provide details.

Please refer to answer to G-7.4 for the information.

8. Do you, or a business associated with you, sell any of the raw materials used to manufacture the goods and/or like goods, or sell the semi-processed goods?
 - a. Please provide a description of the raw material or semi-processed goods which are sold, including whether they are domestic or export transactions, to related or unrelated parties, and how the selling price is determined.
 - b. If there is a difference in selling prices between related and unrelated parties, please provide reasons as to why.

Please refer to answer to G-7.4 for the information.

SECTION I DOMESTIC MARKET

I-1 Prevailing conditions of competition in the domestic market

1. Describe the domestic market for the goods and the prevailing conditions of competition within the market, including:

- (a) Provide an overall description of the domestic market which explains its main characteristics and trends over the past five years

The Chinese market is highly competitive because many manufacturers are operating there.

- (b) Provide the sources of demand for the goods in the domestic market, including the categories of customers, users or consumers of the product

Demand is mainly from the construction sector.

- (c) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b)

Almost the entire sales revenue is from construction sector.

- (d) Describe the factors that influence consumption/demand variability in the domestic market, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production

Industrial and commercial construction activity is the main factor influencing demand fluctuations.

- (e) Describe any market segmentations in the domestic market; such as geographic or product segmentations

Not applicable.

- (f) Provide an estimated proportion of sales revenue from each of the market segments listed in (e)

Not applicable.

- (g) Describe the way in which domestically produced goods and imported goods compete in the domestic market

Not applicable.

- (h) Describe the ways that the goods are marketed and distributed in the domestic market and

Please refer to answer D-1.1 for domestic sales ways.

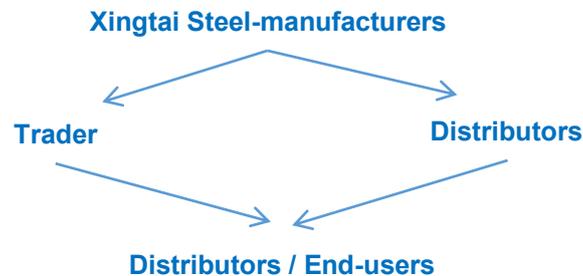
- (i) Describe any other factors that are relevant to characteristics or influences on the domestic market for the goods.

Not applicable.

Provide documentary evidence to support the responses made to questions 1(a) to (i).

2. Provide a diagram which describes the domestic market structure for the goods, ensuring that all categories of participants are included. In this diagram use linkages to illustrate the different levels of trade and distribution channels within the domestic market.

The participants in the market include manufacturers, trading companies, distributors and end users. For Xingtai Steel as a manufacturer, its customers are basically end-users and distributors.



3. Describe the commercially significant market participants in the domestic market for the goods at each level of trade over the investigation period. Include in your description:
 - names of the participants
 - the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.)
 - a description of the degree of integration (either vertical or horizontal) for each market participant and
 - an estimation of the market share of each participant.

There are too many market participants to list, and each participant has a different degree of relevance in their local or regional market.

4. Identify the names of commercially significant importers in the domestic market for the goods over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the domestic market, if known.

Xingtai Steel has no knowledge of importer details.

5. Describe the regulatory framework of the domestic market for the goods as it relates to competition policy, taxation, product standards and the range of the goods. Provide a copy of any regulation described, if available.

There is no regulatory framework relating to the goods in the Chinese market, other than normal business administrative mechanisms.

6. Describe any entry restrictions for new participants into the domestic market for the goods. Your response could include information on:
 - resource ownership
 - patents and copyrights
 - licenses
 - barriers to entry
 - import restrictions and
 - government regulations(including the effect of those government regulations).

In responding to question 6 ensure that relevant regulations are referenced.

Xingtai Steel is not aware of any market entry restrictions.

I-2 Goods in the domestic market

1. Generally describe the range of goods offered for sale in the domestic market. The description should include all like goods, including those produced by your company. Your description could include information about:
 - quality differences
 - price differences
 - supply/availability differences
 - technical support differences
 - the prevalence of private labels/customer brands
 - the prevalence of generic or plain labels
 - the prevalence of premium labels and
 - product segmentation.

Xingtai Steel is less likely to provide such information about the entire Chinese market. But for those goods produced and sold by Xingtai Steel, please refer to [Exhibit A-2.7 Product Brochure](#).

2. Describe the end uses of the goods in the domestic market from all sources.

The goods are used in a wide variety of end use applications, including high-speed railway beam pouring, highway bridge construction, industrial plant flooring construction, and water conservancy project construction.

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the domestic market. Rank these preferences or purchasing influencers in order of importance.

The key attributes include mesh type, mesh size, extension length and number of reinforcing bars (horizontal and longitudinal), and weight. The order of importance will be determined by each customer based on their specific needs.

4. Identify if there are any commercially significant market substitutes in the domestic market for the goods.

Not aware of any commercially significant market substitutes.

5. Have there been any changes in market or consumer preferences in the domestic market for the goods in the last five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

There are no known changes in consumer preference.

I-3 Relationship between price and cost in the domestic market

1. Describe the importance of the domestic market to your company's operations. In your response describe:
 - (a) The proportion of your company's sales revenue derived from sales of the goods in the domestic market and
 - (b) The proportion of your company's profit derived from sales of the goods in the domestic market.

In responding to question 1 please provide evidence supporting calculations.

During the investigation period, █% of the company's sales revenue came from the domestic market. For supporting documents, please refer to [Exhibit A-4.5 Income Statements](#).

2. Is your organisation/business entity the price leader for the goods in the domestic market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.

Although Xingtai Steel is a company with a large production capacity, it is not the price leader for the goods in the Chinese market as there are other strong competitors and it is not possible for Xingtai Steel to know other competitors' prices in the domestic market.

3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in the domestic market. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.

Xingtai Steel does not operate with a product pricing strategy outlines above.

4. Explain the process for how the selling prices of the goods for the domestic market by your business are determined. Provide copies of internal documents which support how pricing is determined.

As with most welded wire mesh products, prices primarily depend on the cost of the rod bar in coil, rod bar and wire rod, processing energy consumption, and the complexity of the manufacturing process. In addition, the cost of coatings such as zinc or PVC, packaging costs, labor costs, and regional transportation costs are also key considerations in pricing. The company regularly adjusts its pricing dynamically based on market supply and demand and customer purchase volumes.

5. How frequently are your domestic selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.

Prices basically vary alongside the changes in the prevailing rod bar in coil, rod bar and wire rod' prices.

6. Rank the following factors in terms of their influence on your pricing decisions in the domestic market, with the most important factor ranked first and the least important factor ranked last:
 - Competitors' prices
 - Purchase price of raw materials
 - Cost to make and sell the goods
 - Level of inventory
 - Value of the order
 - Volume of the order
 - Value of forward orders
 - Volume of forward orders
 - Customer relationship management
 - Supplier relationship management
 - Desired profit
 - Brand attributes
 - Other [please define what this factor is in your response]

The major factors are "Cost to make and sell the goods", "Customer relationship management" and "Volume of the order".

7. Describe the relationship between selling price and costs to make and sell in the domestic market. Does your company maintain a desired profit margin for the goods?

As explained earlier, selling price mainly depends on costs to make. No fixed profit margin is set, as profit and price are determined according to the complexity of welded wire mesh products.

8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the domestic market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how the cost to make and sell are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel does not offer price reductions.

9. Do you offer bundled pricing in the domestic market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel does not offer bundled pricing.

10. Does the volume of sales to a customer or the size of an order influence your selling price in the domestic market? If yes, advise how volume is used to determine selling prices. Explain how the costs to make and sell are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.

The selling pricing of Xingtai Steel is influenced by customer order volumes in domestic market. Various factors, such as customer acceptance, market conditions, and competitor prices, are comprehensively taken into account during the pricing process, without reliance on specific pricing documents. Additionally, Xingtai Steel does not impose a strict minimum order quantity. Instead, Xingtai Steel will provide customers with recommendations on the most economical minimum order volume based on practical considerations. However, if customers still insist on placing small orders, Xingtai Steel will accept such requests but will adjust the pricing accordingly by considering actual circumstances.

11. Does your organisation/business entity use sales contracts in the domestic market? If yes:
- What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
 - Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
 - How frequently are sales contracts renegotiated?
 - How frequently are price reviews conducted between contracts?
 - Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
 - Do changes in your costs to make and sell enable you to review prices for customers within contracts?
 - Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.

Xingtai Steel signs sales contracts with domestic customers on transaction-by-transaction basis.

12. Provide copies of any price lists for the goods used in the domestic market during the investigation period. If you do not use price lists, describe the transparency of your prices in the domestic market.

No price lists exist as prices are determined individually for each transaction.

13. How do you differentiate pricing for different products/models of the goods in the domestic market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost to make or selling cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.

As mentioned earlier, the price differences between different products stem from factors such as their complexity, nature, and specifications, etc.

14. Do you tier or segment your domestic customers for the goods in terms of pricing? If yes, provide:
- a general description of how this is done
 - list the factors that influence pricing differentiation in different tiers or segments and
 - explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel does not differentiate customers in terms of pricing.

15. Do you sell the goods to related entities in the domestic market? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are to related party entities. If available, provide a copy of any internal document relevant to establishing pricing to related parties.

No, all the domestic customers are unrelated to Xingtai Steel.

I-4 Marketing and sales support in the domestic market

1. How does your company market the goods in the domestic market? Include in your response the value proposition used (e.g., competitive price, superior quality, reliability, availability, etc.).

Xingtai Steel sells its products mostly to its regular customers. New or potential customers can learn the company and the products from the company's website: <http://www.xgmesh.com>.

2. Does your company conduct brand segmentation in the domestic market for the goods? If yes, describe the brand segmentation used and provide the proportion of sales revenue derived from each brand segment.

Xingtai Steel does not conduct brand segmentation in the Chinese market for the goods.

3. Provide examples of your domestic advertising of the goods over the past five years. If you have not used advertising provide examples of any other promotion campaigns for the goods you have conducted over the investigation period.

The company's brochure and its website are the examples for customers to learn the goods.

4. How many people are in your domestic market sales team and where are they located? In general terms, how are they remunerated? If they are offered performance pay based on sales, describe the performance indicators used to establish the performance pay. Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel's sales department for domestic sales of GUC has approximately ■ sales personnel located in Beijing.

5. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.

Purchase prices of rod bar in coil, rod bar and wire rod and processing fees are the key parameters in establishing pricing for the goods.

SECTION J AUSTRALIAN MARKET

J-1 Prevailing conditions of competition in the Australian market

1. Describe the Australian market for the goods and the prevailing conditions of competition within the market, including:

- (a) Provide an overall description of the Australian market for the goods which explains its main characteristics and trends over the past five years

The Australian market situation is similar to the Chinese market, which is very competitive as there are many related products manufacturing.

- (b) Provide the sources of demand for the goods in Australia, including the categories of customers, users or consumers of the product

Demand is mainly from the construction sector.

- (c) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b)

Almost the entire sales revenue is from construction sector.

- (d) Describe the factors that influence consumption/demand variability in Australia, such as seasonal fluctuations, factors contributing to overall market growth or decline, government regulation, and developments in technology affecting either demand or production

Industrial and commercial construction activity is the main factor influencing demand fluctuations.

- (e) Describe any market segmentations in Australia; such as geographic or product segmentations

Not applicable.

- (f) Provide an estimated proportion of sales revenue from each of the market segments listed in (e)

Not applicable.

- (g) Describe the way in which Australian manufactured and other imported goods compete in the Australian market

Not applicable.

- (h) Describe the ways that the goods are marketed and distributed in the Australian market and

Please refer to answer B-1.1 for the information.

- (i) Describe any other factors that are relevant to characteristics or influences on the market for the goods in Australia.

Provide documentary evidence to support the responses made to questions 1(a) to (i).

Not applicable.

2. Provide a diagram which describes the Australian market structure for the goods, ensuring that all the categories of participants are included. In this diagram use linkages to illustrate the different levels of trade and distribution channels within the Australian market.

The participants in the market include manufacturers, trading companies, distributors and end users. For Xingtai Steel as a manufacturer, its customers are basically end-users and distributors.

3. Describe the commercially significant market participants in the Australian market for the goods at each level of trade over the investigation period. Include in your description:
 - names of the participants
 - the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.)
 - a description of the degree of integration (either vertical or horizontal) for each market participant and
 - an estimation of the market share of each participant.

There are too many market participants to list, and each participant has a different degree of relevance in their local or regional market.

4. Identify the names of commercially significant importers in the Australian market for the goods over the investigation period and estimate their market share. Specify the country each importer imports from and their level of trade in the Australian market, if known.

Xingtai Steel has no knowledge of importer details.

5. Describe the regulatory framework of the Australian market for the goods as it relates to competition policy, taxation, product standards and the range of the goods. Provide a copy of any regulation described, if available.

As far as Xingtai Steel is aware, the GUC are not subject to any special regulatory framework. The generally applicable laws concerning competition, taxation and sales contracts apply to the GUC.

6. Describe any entry restrictions for new participants into the Australian market for the goods. Your response could include information on:
 - resource ownership
 - patents and copyrights
 - licenses
 - barriers to entry
 - import restrictions and
 - government regulations (including the effect of those government regulations).

In responding to question 6 ensure that relevant regulations are referenced.

Anti-dumping investigations is notable import restrictions.

J-2 Goods in the Australian market

1. Generally describe the range of the goods offered for sale in the Australian market. The description should include all goods under consideration including those produced by your company. Your description could include information about:
 - quality differences
 - price differences
 - supply/availability differences
 - technical support differences
 - the prevalence of private labels/customer brands
 - the prevalence of generic or plain labels
 - the prevalence of premium labels and
 - product segmentation.

Xingtai Steel is less likely to provide such information about the entire Australian market. But for those goods produced and sold by Xingtai Steel, please refer to [Exhibit A-2.7 Company Brochure](#).

2. Describe the end uses of the goods in the Australian market from all sources.

The goods are used in a wide variety of end use applications, including high-speed railway beam pouring, highway bridge construction, industrial plant flooring construction, and water conservancy project construction.

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market. Rank these preferences or purchasing influencers in order of importance.

The key attributes include mesh type, mesh size, extension length and number of reinforcing bars (horizontal and longitudinal), and weight. The order of importance will be determined by each customer based on their specific needs.

4. Identify if there are any commercially significant market substitutes in the Australian market for the goods.

There are no known market substitutes.

5. Identify if there are any commercially significant market complements in the Australian market for the goods.

There are no known market complements.

6. Have there been any changes in market or consumer preferences in the Australian market for the goods in the last five years? If yes, provide details including any relevant research or commentary on the industry/sector that supports your response.

There are no known changes in consumer preference.

J-3 Relationship between price and cost in Australia

1. Describe the importance of the Australian market to your company's operations. In your response describe:
 - (a) The proportion of your company's sales revenue derived from sales of the goods in Australia and
 - (b) The proportion of your company's profit derived from sales of the goods in Australia.

In responding to question 1 please provide evidence supporting calculations.

During the investigation period, █% of the company's sales revenue came from Australian market. For supporting documents, please refer to [Exhibit A-4.5 Income Statements](#).

2. Is your organisation/business entity the price leader for the goods in the Australian market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.

Although Xingtai Steel is a company with a large production capacity, it is not the price leader for the goods in the Australian market as there are other strong competitors.

3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.

Xingtai Steel does not operate with a product pricing strategy outlines above.

4. Explain the process for how the selling prices of the goods for the Australian market by your business are determined. Provide copies of internal documents which support how pricing is determined.

As with most welded wire mesh products, prices primarily depend on the cost of the rod bar in coil, rod bar and wire rod, processing energy consumption, and the complexity of the manufacturing process. In addition, the cost of coatings such as zinc or PVC, packaging costs, labor costs, and regional transportation costs are also key considerations in pricing. The company regularly adjusts its pricing dynamically based on market supply and demand and customer purchase volumes.

5. How frequently are your Australian selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.

Prices vary alongside the changes in the prevailing rod bar in coil, rod bar and wire rod' prices.

6. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:

- Competitors' prices
- Purchase price of raw materials
- Cost to make and sell the goods
- Level of inventory
- Value of the order
- Volume of the order
- Value of forward orders
- Volume of forward orders
- Customer relationship management
- Supplier relationship management
- Desired profit
- Brand attributes
- Other [please define what this factor is in your response]

The major factors are "Cost to make and sell the goods", "Customer relationship management" and "Volume of the order".

7. Describe the relationship between selling price and costs to make and sell in the Australian market. Does your company maintain a desired profit margin for the goods? If not, does your company seek to maintain a desired profit margin for the goods? Provide copies of internal documents which support your response to this question.

As explained earlier, selling price mainly depends on costs to make. No fixed profit margin is set, as profit and price are determined according to the complexity of welded wire mesh products.

8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the Australian market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how the cost to make and sell are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel does not offer price reductions.

9. Do you offer bundled pricing in the Australian market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel does not offer bundled pricing.

10. Does the volume of sales to a customer or the size of an order influence the selling price? If yes, advise how volume is used to determine selling prices. Explain how the costs to make and sell are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.

The selling pricing of Xingtai Steel is influenced by customer order volumes in Australian market. Various factors, such as customer acceptance, market conditions, and competitor prices, are comprehensively taken into account during the pricing process, without reliance on specific pricing documents. Additionally, Xingtai Steel does not impose a strict minimum order quantity. Instead, Xingtai Steel will provide customers with recommendations on the most economical minimum order volume based on practical considerations. However, if customers still insist on placing small orders, Xingtai Steel will accept such requests but will adjust the pricing accordingly by considering actual circumstances.

11. Does your organisation/business entity use sales contracts in the Australian market? If yes:
- (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
 - (b) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
 - (c) How frequently are sales contracts renegotiated?
 - (d) How frequently are price reviews conducted between contracts?
 - (e) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
 - (f) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
 - (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue.

Xingtai Steel signs sales contracts with Australian customers on transaction-by-transaction basis.

12. Provide copies of any price lists for the goods used in the Australian market during the investigation period. If you do not use price lists, describe the transparency of your prices in the Australian market.

No price lists exist as prices are determined individually for each transaction.

13. How do you differentiate pricing for different products/models of the goods in the Australian market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost to make or selling cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.

As mentioned earlier, the price differences between different products stem from factors such as their complexity, nature, and specifications, etc.

14. Do you tier or segment your Australian customers for the goods in terms of pricing? If yes, provide:
- (a) a general description of how this is done
 - (b) list the factors that influence pricing differentiation in different tiers or segments and
 - (c) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel does not differentiate customers in terms of pricing.

15. Do you sell the goods to related entities in Australia? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are

to related party entities. If available, provide copies of any internal documents relevant to establishing pricing to related parties.

No. All the Australian customers are unrelated.

J-4 Marketing and sales support in the Australian market

1. How does your company market the goods in the Australian market? Include in your response the value proposition used (e.g., competitive price, superior quality, reliability, availability, etc.).

Xingtai Steel market the goods in the Australian market by emphasising their superior quality, reliability of supply, and long term efficiencies for the customers.

2. Does your company conduct brand segmentation in the Australian market for the goods? If yes, describe the brand segmentation used and provide the proportion of sales revenue derived from each brand segment.

Xingtai Steel does not conduct brand segmentation in the Australian market for the goods.

3. Provide examples of your Australian advertising of the goods over the past five years. If you have not used advertising in Australia, provide examples of any other promotion campaigns you have conducted over the investigation period.

Xingtai Steel did not undertake any Australian advertising over the last five years.

4. How many people are in your Australian sales team and where are they located? In general terms, how are they remunerated? If they are offered performance pay based on sales, describe the performance indicators used to establish the performance pay. Provide copies of internal documents which support your claims in response to this question.

Xingtai Steel's sales department for Australian sales of GUC has approximately 4 sales personnel located in Beijing.

5. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.

Purchase prices of raw materials and processing fees are the key parameters in establishing pricing for the goods.

EXPORTER'S DECLARATION

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

Name :.....

Signature :.....

**Position in
Company** :.....

Date :.....

APPENDIX

GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times*

(it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences; packaging; taxes; level of trade; advertising; after sales services; inland freight; warehousing; export charges; credit terms; duty drawback; commissions.*

Adjustments may also be required where the normal value is based on costs to make and sell.

Arms length

Sales are not considered to be at “arms length” on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information. Note that any date of sale claim, other than the invoice date, that is made after submitting a response to this questionnaire may not provide the commission with sufficient time to assess the claim and may not be considered.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance)
	the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CPT	carriage paid to
CIP	carriage and insurance paid to
	the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried

	by air, road, rail etc.
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customer's disposal)
DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

The period

A period defined by the commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods or that, although not alike in all respects have characteristics closely resembling those of the goods. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where

the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods
- . sale of goods of the same general category by the exporter or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.