



# Anti-Dumping Commission

## Exporter Questionnaire



**Case number:** 697

**Product:** Hollow Structural Sections

**From:** Republic of Korea

**Review period:** 1 January 2025 – 31 December 2025

**Response due by:** 23 February 2026

**Email enquiries to:** [Investigations2@adcommission.gov.au](mailto:Investigations2@adcommission.gov.au)

**Anti-Dumping  
Commission website:** [www.adcommission.gov.au](http://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

<b>TABLE OF CONTENTS .....</b>	<b>2</b>
<b>INSTRUCTIONS .....</b>	<b>3</b>
<b>CHECKLIST .....</b>	<b>6</b>
<b>GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES .....</b>	<b>8</b>
<b>SECTION A COMPANY INFORMATION .....</b>	<b>10</b>
A-1    COMPANY REPRESENTATIVE AND LOCATION .....	10
A-2    COMPANY INFORMATION .....	11
A-3    GENERAL ACCOUNTING INFORMATION .....	13
A-4    FINANCIAL DOCUMENTS .....	14
<b>SECTION B EXPORT SALES TO AUSTRALIA .....</b>	<b>16</b>
B-1    AUSTRALIAN EXPORT SALES PROCESS .....	16
B-2    AUSTRALIAN SALES LISTING .....	18
B-3    SAMPLE EXPORT DOCUMENTS .....	19
B-4    RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS .....	19
<b>SECTION C EXPORTED GOODS &amp; LIKE GOODS .....</b>	<b>21</b>
C-1    MODELS EXPORTED TO AUSTRALIA .....	21
C-2    MODELS SOLD IN THE DOMESTIC MARKET .....	21
C-3    INTERNAL PRODUCT CODES .....	22
<b>SECTION D DOMESTIC SALES .....</b>	<b>24</b>
D-1    DOMESTIC SALES PROCESS .....	24
D-2    DOMESTIC SALES LISTING .....	26
D-3    SAMPLE DOMESTIC SALES DOCUMENTS .....	26
D-4    RECONCILIATION OF SALES TO FINANCIAL ACCOUNTS .....	27
<b>SECTION E DUE ALLOWANCE .....</b>	<b>28</b>
E-1    CREDIT EXPENSE .....	28
E-2    PACKAGING .....	29
E-3    DELIVERY .....	29
E-4    OTHER DIRECT SELLING EXPENSES .....	30
E-5    OTHER ADJUSTMENT CLAIMS .....	31
<b>SECTION F THIRD COUNTRY SALES .....</b>	<b>33</b>
F-1    THIRD COUNTRY SALES PROCESS .....	33
F-2    THIRD COUNTRY SALES LISTING .....	33
F-3    DIFFERENCES IN SALES TO THIRD COUNTRIES .....	34
<b>SECTION G COST TO MAKE AND SELL .....</b>	<b>35</b>
G-1    PRODUCTION PROCESS .....	35
G-2    COST ACCOUNTING PRACTICES .....	35
G-3    COST TO MAKE ON DOMESTIC MARKET .....	36
G-4    SELLING, GENERAL & ADMINISTRATIVE EXPENSES .....	37
G-5    COST TO MAKE THE GOODS EXPORTED TO AUSTRALIA .....	38
G-6    COST ALLOCATION METHOD .....	39
G-7    MAJOR RAW MATERIAL COSTS .....	39
G-8    RECONCILIATION OF COST TO MAKE TO AUDITED FINANCIAL STATEMENTS .....	40
G-9    PRODUCTION OF THE GOODS UNDER CONSIDERATION .....	41
<b>EXPORTER'S DECLARATION .....</b>	<b>43</b>
<b>APPENDIX GLOSSARY OF TERMS .....</b>	<b>44</b>

## INSTRUCTIONS

### Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the commission) is conducting an accelerated review into hollow structural Sections exported to Australia from the Republic of Korea.

The commission will use the information you provide to determine normal values and export prices over the review period (the period). This information will determine whether hollow structural sections are 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.

## PUBLIC RECORD

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.

## PUBLIC RECORD

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.

<b>Section</b>	Please tick if you have responded to all questions
Section A Company information	✓
Section B Export sales to Australia	✓
Section C Exported goods & like goods	✓
Section D Domestic sales	✓
Section E Due allowance	✓
Section F Third country sales	✓
Section G Cost to make and sell	✓
Exporter's declaration	✓
Non-confidential version of this response	✓

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<b>Attachments</b>	Please tick if you have provided spreadsheet
B-2 Australian sales	✓
B-2.2 Australian sales source	✓
B-4 Upwards sales	✓
D-2 Domestic sales	✓
D-2.2 domestic sales source	✓
F-2 Third country sales	✓
F-2.2 third country sale source	✓
G-3 Domestic CTM	✓
G-3.2 domestic CTM source	✓
G-4.1 SG&A listing	✓
G-4.2 Dom SG&A calculation	✓
G-4.3 Upwards SG&A	✓
G-5 Australian CTM	✓
G-5.2 Australian CTM source	✓
G-7.2 Raw material CTM	N/A
G-7.4 Raw material purchases	✓
G-8 Upwards costs	✓

## GOODS UNDER CONSIDERATION / GOODS SUBJECT TO ANTI-DUMPING MEASURES

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

*certain electric resistance welded pipe and tube made of carbon steel, comprising circular and non-circular hollow sections in galvanised and non-galvanised finishes. The goods are normally referred to as either CHS (circular hollow sections) or RHS (rectangular or square hollow sections). The goods are collectively referred to as HSS (hollow structural sections). Finish types for the goods include in-line galvanised (ILG), pre-galvanised or hot-dipped galvanised (HDG) and non galvanised HSS.*

### 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.

Item	Category	Sub-category	Identifier	Sales Data	Cost data
1	Prime	Prime	P	Mandatory	Not applicable
		Non-Prime / downgrade	N		
2	Galvanising	Galvanised	G	Mandatory	Mandatory
		None (e.g. mill finish, 'black')	N		
3	Finish	Oiled	O	Mandatory	Mandatory
		Painted	P		
		Anti-rust treatment	R		
		No coating	N		
4	Shape	Circular	C	Mandatory	Mandatory
		Rectangular or square	R		
		Oval	O		
5	Steel grades - nominal minimum yield strength	Steel grade with nominal minimum yield strength less than or equal to 300 MPa	250	Mandatory	Mandatory
		Steel grade with nominal minimum yield strength greater than 300 MPa but less than 380 MPa	350		
		Steel grade with nominal minimum yield strength equal to or greater than 380 MPa	450		

**PUBLIC RECORD**

		Steel grade with no nominal yield strength	N		
6	Ends	Plain	P	Optional	Optional

In constructing a MCC, use a "-" between each category. For example: a prime, galvanised, circular piece with:

- Oil finish;
- Minimum yield strength greater than 380MPa; and
- Plain end.

Would have an MCC of **P-G-O-C-450-P**.

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:	[Confidential text deleted – personal employee information]
Position in the company:	[Confidential text deleted – personal employee information]
Telephone:	[Confidential text deleted – personal employee information]
E-mail address:	[Confidential text deleted – personal employee information]

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

Name:	Moulis Legal
Address:	6/2 Brindabella Circuit Brindabella Business Park Canberra International Airport Australian Capital Territory 2609
Telephone:	+61 2 6163 1000
E-mail address:	yunjin.lee@moulislegal.com

*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 location of the where NEXTEEL's financial records are held is 195, Songdeok-ro 212beon-gil, Daesong-myeon, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea. The above address is also the location of NEXTEEL's head office and Pohang Plant 1.

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

The location of the where NEXTEEL's production records are held is 195, Songdeok-ro 212beon-gil, Daesong-myeon, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea. The above address is also the location of NEXTEEL's head office and Pohang Plant 1.

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

The location of NEXTEEL's production plant manufacturing the goods under consideration and like goods is listed below by production plant:

**PUBLIC RECORD**

- **Gyeongju Plant 1: 80, Gangdongsandan-ro, Gangdong-myeon, Gyeongju-si, Gyeongsangbuk-do, Republic of Korea**
- **Pohang Plant 1:**
  - **Headquarter Plant 1: 195, Songdeok-ro 212beon-gil, Daesong-myeon, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea**
  - **Headquarter Plant 3: 195, Songdeok-ro 212beon-gil, Daesong-myeon, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea**
- **Pohang Plant 2: 51, Seoman-ro, Nam-gu, Pohang-si, Gyeongsangbuk-do, Republic of Korea**

**A-2 Company information**

1. What is the legal name of your business?

**The legal name of the business is NEXTEEL Co., Ltd., which is hereinafter referred as “NEXTEEL” or the “Company”.**

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

**Not applicable. The Company makes trades under the name NEXTEEL.**

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

**The Company was first established in January 1990 under the name Daewon Industrial Co., Ltd. The company changed its legal name to NEXTEEL Co., Ltd. in March 2001, which has remain unchanged since.**

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

**NEXTEEL provides a list of its current board of directors and any changes in the last two years at CONFIDENTIAL Exhibit A-2.4 – NEXTEEL Board of Directors list.**

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

**Yes. Please refer to CONFIDENTIAL ExhibitA-2.5 – NEXTEEL ownership structure. NEXTEEL notes that [Confidential text deleted – information related to production, sales and distribution].**

6. Is your company or parent company publicly listed?

If yes, please provide:

- (c) The stock exchange where it is listed and

**PUBLIC RECORD**

(d) Any principal shareholders <sup>1</sup>

If no, please provide:

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

**NEXTEEL is a publicly traded company listed on the Korea Stock Exchange as of December 31, 2025. Please refer to CONFIDENTIAL Exhibit A-2.6 for the detailed information on principle shareholders.**

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.

**NEXTEEL is engaged in the manufacture and sale of steel pipe products. NEXTEEL's core products can be broadly classified into three categories: line pipe, standard pipe, and oil country tubular goods ("OCTG"). Line pipe is manufactured primarily for the transportation of oil, gas, and other fluids and is supplied in accordance with internationally recognized standards such as API specifications. Standard pipe is produced for a wide range of applications, including pressure piping, structural use, fluid conveyance, and industrial purposes. These products are supplied under various international and national standards, including [Confidential text deleted – business sensitive technical information]. OCTG products consist mainly of casing and tubing used in oil and gas drilling and extraction, and include finished products with heat treatment, threading, and coupling processes and are supplied in accordance with internationally recognized standards such as API specifications. NEXTEEL sells its products to both export and domestic markets.**

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.

**Not applicable. NEXTEEL performs all of the above functions in relation to the goods under consideration.**

9. Provide your company's internal organisation chart.

**Please refer to CONFIDENTIAL Exhibit A-2.9.**

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

**Please refer to CONFIDENTIAL Exhibit A-2.10 NEXTEEL organisation functions.**

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

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<sup>1</sup> 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.

Please refer to the brochure in Exhibit A-2.11.

### A-3 General accounting information

1. What is your financial accounting period?

NEXTEEL's financial accounting period is from January 1 to December 31.

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

NEXTEEL's financial accounts are audited by [Confidential text deleted –internal accounting information].

3. What currency are your accounts kept in?

NEXTEEL's accounts are kept in Korean Won.

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

All account data and records are maintained in NEXTEEL's proprietary information system.

5. What is the name of your sales system?

The sales system is maintained in NEXTEEL's proprietary information system.

6. What is the name of your production system?

The production system is maintained in NEXTEEL's proprietary information 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.

NEXTEEL's financial accounting, sales and production systems are fully integrated within internally developed ERP system. Accordingly, these systems are not separate systems.

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

No, NEXTEEL maintains its financial records in accordance with the Korean International Financial Reporting Standards ("K-IFRS").

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

No, there have been no changes to NEXTEEL's accounting practices and/or 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.

Attached as Exhibit A-4.1.1 and Exhibit A-4.1.2 are the 2023 and 2024 annual reports of NEXTEEL Co., Ltd., which are the two most recently completed annual reports. The 2025 annual report has not yet been issued and is expected to be available by March 31, 2026.

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.

Audit management letters are included in CONFIDENTIAL Exhibit A-4.1.1 and CONFIDENTIAL Exhibit A-4.1.2 above. For ease of reference, the documents are separately provided as CONFIDENTIAL Exhibit A-4.2.1 and CONFIDENTIAL Exhibit A-4.2.2.

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.

NEXTEEL's financial statements in A-4.1 were both audited.

4. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for:

- (a) the most recent financial year and
- (b) the period.

NEXTEEL does not maintain separate profit centres. [Confidential text deleted – internal financial processes]. Accordingly, NEXTEEL does [Confidential text deleted – internal financial processes]. Please refer to CONFIDENTIAL Exhibit A-4.4 for the detailed information.

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.

The period is the same as NEXTEEL's financial period. However, as of the date of submission of this questionnaire response, the audited financial statements for the year 2025 have not yet been issued. Accordingly, all responses and supporting materials have been prepared based on the financial statements submitted by NEXTEEL to its auditor.

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

Attached as CONFIDENTIAL Exhibit A-4.6 is NEXTEEL's 2025 trial balance.

**PUBLIC RECORD**

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

Please refer to **CONFIDENTIAL Exhibit A-4.7** for the detailed information.

*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

NEXTEEL's Australian sales of the subject products during the review period were made through direct exports to [CONFIDENTIAL TEXT DELETED - Australian sales].

NEXTEEL does not conduct any separate marketing or advertising activities specifically targeting the Australian market. Instead, sales are initiated when customers seeking to import NEXTEEL's products approach NEXTEEL directly.

The sales process for exports to Australia is as follows:

The unaffiliated Australian customer sends its order to NEXTEEL via e-mail. Upon receipt of the customer's inquiry, NEXTEEL and the Australian customer negotiate the terms of sale on a transaction-by-transaction basis, including size, price, quantity, and delivery terms.

Once an initial agreement is reached between NEXTEEL and the Australian customer, the customer issues a purchase order to NEXTEEL, which NEXTEEL signs and returns. The signed purchase order also functions as NEXTEEL's order confirmation.

Once production is complete, NEXTEEL transfers the merchandise to a Korean port. When the product is transferred to the Korean port, NEXTEEL issues a shipping invoice that indicates only the quantity of merchandise transported from NEXTEEL's factory to the Korean port. The period from order confirmation to shipment is approximately two months.

Once the products that are to be shipped are determined, NEXTEEL issues the commercial invoice and packing list to identify the products that are to be loaded on the vessel for delivery to the customer. As the sales are made on an FOB basis, NEXTEEL's sales are completed when the goods are loaded onto the vessel at the Korean port.

NEXTEEL receives the bill of lading from the shipping company when the merchandise is loaded onto the vessel, and NEXTEEL is responsible for providing the Australian customer with the bill of lading.

Finally, upon presentation of the relevant sales documentation, NEXTEEL collects payment directly from the Australian customer in accordance with the payment terms specified on the commercial invoice.

## PUBLIC RECORD

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?

**NEXTEEL made [Confidential text deleted – information related to currency of sales] during the review period, and the customer paid NEXTEEL [Confidential text deleted – information related to currency of sales]. Payment for the export sales was received into NEXTEEL’s account held with [Confidential text deleted – identifies bank used by NEXTEEL] in Korea.**

**NEXTEEL did not enter into any forward contracts to lock in the foreign exchange rate relating to the export sales to Australia.**

**NEXTEEL applies the [Confidential text deleted – identifies exchange rate used by NEXTEEL] daily basic exchange rate. For sales made on an FOB basis, NEXTEEL applied the exchange rate in effect on the date that [Confidential text deleted – sensitive business practice information]. The applicable exchange rate is updated on a daily basis.**

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.

**No.**

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

**NEXTEEL does not maintain any price lists or price extras lists for sales to Australia. Prices for all export sales during the review period were determined through individual negotiations with a customer, and no standard price lists were used.**

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.

**NEXTEEL sold all goods to Australia through a direct export channel during review period.**

**As there were no alternative distribution channels, export selling prices did not vary by distribution channel. Therefore, this question is not applicable.**

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.

**NEXTEEL [Confidential text deleted – sensitive business practice information] during the review period.**

## PUBLIC RECORD

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.

**NEXTEEL did not issue any credit notes or debit notes, either directly or indirectly, to any Australian customer or any associate of the customer in relation to the sale of the goods exported to Australia during the period of review.**

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.

**NEXTEEL has reported the date of sales using the date of invoice. NEXTEEL does not make any other date of sale claims.**

## B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales"
- This worksheet lists all sales (i.e. transaction by transaction) exported to Australia of the goods invoiced within the period. This includes exports to Australia sold through a domestic customer.
  - This worksheet must also include exports of the goods that have been exempted from anti-dumping duties under 8(7) and section 10(8) of the *Customs Tariff (Anti-Dumping) Act 1975*.
  - 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.

**NEXTEEL has provided CONFIDENTIAL Exhibit B-2 – Australian sales.**

## PUBLIC RECORD

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".

**NEXTEEL has provided the table listing the source of the data for each column in the export sales listing in CONFIDENTIAL Exhibit B-2, tab "B-2.2".**

### 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.*

**NEXTEEL has provided the requested document for the largest Australian export sale invoice by value in CONFIDENTIAL Exhibit B-3.**

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.

**For each document provided in CONFIDENTIAL Exhibit B-3, NEXTEEL has annotated the documents to reconcile the details in the B-2 Australian sales listing to the source document.**

### 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.

**NEXTEEL provides CONFIDENTIAL Exhibit B-4 Upwards sales.**

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:

## PUBLIC RECORD

- 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.

**NEXTEEL has provided supporting documents for CONFIDENTIAL Attachment “B-4 Upwards sales” in the Exhibit B-4.**

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.

**NEXTEEL has provided supporting documents for CONFIDENTIAL Attachment “B-4 Upwards sales” in the Exhibit B-4.**

## 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.

The goods exported to Australia during the period consist of [Confidential text deleted – specification and description of products exported to Australia].

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.

P-N-O-C-250-P

#### 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.

The domestic like goods sold during the period had the following specifications and features: [Confidential text deleted – technical description of like goods sold in domestic market].

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 list of MCCs of like goods sold on the domestic market as follows:

- N-G-O-C-250-P
- N-N-N-C-250-P
- N-N-N-C-350-P
- N-N-O-C-250-P
- N-N-R-C-250-P
- N-N-R-C-350-P
- N-N-R-C-450-P
- P-G-N-C-250-P
- P-G-N-C-350-P
- P-G-N-C-N-P

- P-G-O-C-250-P
- P-G-O-C-350-P
- P-G-O-C-N-P
- P-G-O-R-250-P
- P-N-N-C-250-P
- P-N-N-C-350-P
- P-N-N-C-N-P
- P-N-N-R-250-P
- P-N-O-C-250-P
- P-N-O-C-350-P
- P-N-O-C-450-P
- P-N-O-C-N-P
- P-N-O-R-250-P
- P-N-O-R-350-P
- P-N-O-R-450-P
- P-N-P-R-250-P
- P-N-R-C-250-P
- P-N-R-C-350-P
- P-N-R-C-450-P

### 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.

**NEXTEEL uses product codes to identify its goods.**

**NEXTEEL's system assigns each product a four-digit product code. Each code is a serial number corresponding to a unique combination of eleven variables. A new product code is created when NEXTEEL receives an order for a product configuration that does not already have an existing serial number based on these eleven variables.**

**For example, product code [Confidential text deleted – product code example] consists of the following elements: [Confidential text deleted – product code description].**

**A table defining the individual elements of NEXTEEL's coding system is provided in CONFIDENTIAL Exhibit C-3.**

**[Confidential text deleted – explanation of product code uses].**

**For purposes of this questionnaire response, NEXTEEL mapped product codes to MCCs based on the following variables:**

## PUBLIC RECORD

- Product quality (Prime or Non-Prime), determined based on the information recorded in the sales system;
- Galvanizing, identified based on the production plant embedded in the product code;
- Finish, determined based on the production order information;
- Shape, identified using the shape information embedded in the product code;
- Yield strength, determined based on the specification applicable to each product grade; and
- End finish, identified using the information contained in the product code.

In terms of methodology, NEXTEEL notes that it identified the subject goods using a step-by-step methodology based on product description, shape, and dimensional criteria.

First, NEXTEEL classified all products recorded in its ERP system according to their product description. Products were initially categorized as [Confidential text deleted – categorisation of product types]. All products other than pipe were classified as non-subject merchandise and excluded from further scope analysis.

Second, for products classified as pipe, NEXTEEL conducted a detailed review based on shape and size specifications to determine whether the products fell within the scope of the goods under consideration. Pipe products were divided into circular hollow sections (CHS) and rectangular or square hollow sections (RHS).

For circular pipes, NEXTEEL assessed whether the outside diameter fell within the size range specified in the scope description. Only circular pipes within the specified diameter range were treated as subject merchandise.

For rectangular or square pipes, NEXTEEL calculated the pipe perimeter based on side A and side B dimensions. The calculated perimeter was then compared against the perimeter threshold set out in the scope description to determine whether the product fell within the relevant size range. Among those products whose calculated perimeter fell within the scope definition, products with a wall thickness of 1.6 mm or less were classified as non-subject merchandise, while only products with a wall thickness exceeding 1.6 mm were treated as subject merchandise.

Based on this methodology, only those pipe products determined to fall within the scope of the goods under consideration were included in the sales listings reported in B-2 Australian Sales, D-2 Domestic Sales, and F-2 Third Country Sales. All non-subject goods were excluded from these reported sales databases.

A detailed explanation of the methodology used to identify the MCC is provided in CONFIDENTIAL Exhibit C-3.

## SECTION D DOMESTIC SALES

If your company did not sell like goods on the domestic market during the review period, please contact the commission as soon as possible. You may be required to complete this section (and G-3) as it relates to export sales to third countries. You may also be asked other supplementary questions. Extensions will not be granted as a result of delays in contacting the commission in this regard.

### 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

**NEXTEEL does not engage in separate advertising activities, apart from producing its website and product brochures. NEXTEEL had [Confidential text deleted – sales channel information]. For domestic market sales, customers contact NEXTEEL via email, telephone or through direct visits. Upon receipt of the customer's inquiry, NEXTEEL will begin to negotiate the terms of sale with the customer.**

**Negotiation and price determination is conducted on the basis of [Confidential text deleted – factors relevant to pricing]. Once an initial agreement is reached with the customer, NEXTEEL inputs the sales order into its system. Negotiation of the price may continue after the initial order input, up until the point of commercial and tax invoice issuance.**

**Delivery terms on the domestic market are usually delivered or ex-works. If the product is already in stock, NEXTEEL issues a shipping invoice and proceeds directly to shipment. Domestic delivery is undertaken by external logistics companies. If the product is not available in inventory, NEXTEEL schedules production. The lead time from order placement date is usually around 8 weeks. Once production is complete, NEXTEEL ships the goods to the customer along with a shipping invoice. NEXTEEL subsequently issues tax and commercial invoices to the customer, generally at the end of each month.**

**Payment terms with domestic customers are usually [Confidential text deleted – payment terms]. Due to the large number of domestic customers, NEXTEEL [Confidential text deleted – payment terms]. As noted above, invoices are ordinarily issued to customers at the end of each month.**

**Please refer to CONFIDENTIAL Exhibit D-1.1 for detailed information.**

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.

**PUBLIC RECORD**

**Not applicable. There are no domestic customers related to NEXTEEL.**

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

**Not applicable. The sales are not in accordance with price lists or price extras 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.

**[Confidential text deleted – domestic selling price information].**

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.

**NEXTEEL provided [Confidential text deleted – discount information] during the period of review (“POR”).**

**The discounts were granted subject to [Confidential text deleted – discount information]. This was applied in the form of a credit note when [Confidential text deleted – discount information].**

**The applicable discount rates were as follows: [Confidential text deleted – discount information].**

**Please refer to CONFIDENTIAL Exhibit D-1.5 for a detailed example of the calculation of [Confidential text deleted – discount information] discount reported.**

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.

**NEXTEEL issued credit notes during the period in connection with [Confidential text deleted – credit note information].**

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:

(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 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.

## PUBLIC RECORD

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.

**NEXTEEL has reported the date of sales using the date of invoice. NEXTEEL does not claim any other date of sale.**

### D-2 Domestic sales listing

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

**NEXTEEL provides CONFIDENTIAL Exhibit D-2 Domestic Sales.**

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

**NEXTEEL provides CONFIDENTIAL worksheet D-2.2 Domestic Sales Source in CONFIDENTIAL Exhibit D-2 Domestic Sales.**

### D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:
  - Contracts
  - Purchase order and order confirmation
  - Commercial invoice and packing list
  - Proof of payment, 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.*

**NEXTEEL has provided the requested documents, as applicable, for the two domestic sale transactions by value in CONFIDENTIAL Exhibit D-3.**

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

**Please refer to CONFIDENTIAL Exhibit D-3 for detailed information.**

## D-4 Reconciliation of sales to financial accounts

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

As NEXTEEL provides a completed Exhibit B-4, this section is not applicable.

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.
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.
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.

## 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:

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

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

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

**For the Australian sales, NEXTEEL has provided the credit period applicable in CONFIDENTIAL Exhibit E-1.1-a. In light of the payment terms for the Australian sales, NEXTEEL has reported credit period using the actual days between invoice date and payment date for the credit period.**

**For domestic customers, NEXTEEL provides a sample calculation in its CONFIDENTIAL Exhibit E-1.1-b, which utilises the calculation method as follows: [Confidential text deleted – domestic credit period calculation method].**

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?

**NEXTEEL provides the requested interest rate calculation at CONFIDENTIAL Exhibit E-1.2.**

**For domestic sales, NEXTEEL calculated the per-unit cost of credit on a transaction specific basis and reported this cost in this field. NEXTEEL divided the calculated number of credit days by 365 and multiplied it by the applicable interest rate paid on short-term borrowings in KRW as shown in CONFIDENTIAL Exhibit E-1.2. NEXTEEL has reported this expense in the column [22] “Other Expenses – credit”, and also provided the sample calculation at CONFIDENTIAL Exhibit D-3.**

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?

**NEXTEEL provides the requested average interest rates calculation at CONFIDENTIAL Exhibit E-1.3.**

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?

**NEXTEEL did not have short-term borrowings denominated in the currency used for Australian sales during the period of review.**

**NEXTEEL provides the requested deposit interest rate calculation at CONFIDENTIAL Exhibit E-1.4.**

**NEXTEEL calculated the per-unit cost of credit on a transaction specific basis and reported this cost in this field. NEXTEEL divided the calculated number of credit days by 365 and multiplied it by the applicable interest rate paid on short-term borrowings in KRW. NEXTEEL has reported this expense in the column [30] "Other costs – Credit Expense (USD)", and also provided the sample calculation in CONFIDENTIAL Exhibit E-5.1-c.**

## E-2 Packaging

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

**[Confidential text deleted – list of packaging materials and process]**

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

**Same as above.**

3. If there are distinct differences in packaging between your domestic and export sales:

- (a) Provide details of the differences
- (b) Calculate the weighted average packaging cost for each model sold on the domestic market
- (c) Calculate the weighted average packaging cost for each model exported to Australia

**There are no such differences.**

## 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?

**Transportation costs are incurred on a per-truck basis. NEXTEEL has calculated the reported unit expense by dividing the actual total transportation cost for each shipment by the total metric tons shipped. With respect to delivery terms, domestic sales are made under "ex-factory" and "delivered" terms. When the delivery term is "ex-factory",**

**PUBLIC RECORD**

**no transportation cost is incurred. When the delivery term is “delivered”, transportation costs are incurred and calculated using the methodology described above.**

**Please refer to CONFIDENTIAL Exhibit E-3.1 for a detailed example of the domestic inland freight calculation methodology.**

**Additional inland freight is also incurred for some of the goods shipped from factory to warehouses. Please refer to CONFIDENTIAL Exhibit E-3.1.1.**

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

**Delivery terms of the export sales of the goods to Australia [Confidential text deleted – delivery terms of exports to Australia].**

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?

**All the sales to Australia include delivery to the Korean port, and NEXTEEL has traced down the inland transportation expense and port charges for each invoice.**

**NEXTEEL provides sample calculation of the reported inland freight and port charge cost for Australian sales in CONFIDENTIAL Exhibit E-3.3 and CONFIDENTIAL Exhibit E-3.4 respectively.**

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?

**NEXTEEL has calculated transaction-specific expenses for port handling, which contains vessel loading charge, land handling charge, cargo lashing charge and port safety management fee. For other export charges, NEXTEEL reports domestic wharfage, port facility security, and document fee.**

**NEXTEEL provides sample calculation for the reported port handling and other export charges for Australian sales in CONFIDENTIAL Exhibit E-3.4.**

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

**Not applicable.**

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

**Not applicable.**

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.**

**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.

PUBLIC RECORD

[Confidential text deleted – selling expense information].

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?

There are no such differences in liability that affect comparability between NEXTEEL's domestic and Australian sales.

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

NEXTEEL incurred warehouse expenses for some sales which were shipped to and from its warehouse in Busan. Warehousing expense has been calculated by taking the total monthly rental cost of the warehouse, and the total sales quantity of goods shipped to Busan to calculate a quarterly unit warehousing expense. The quarterly unit expense was then applied to sales transactions in D-2 of goods which were shipped to Busan. Please refer to CONFIDENTIAL Exhibit E-4.3 Calculation of warehouse expense.

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

NEXTEEL incurred some bank charges and brokerage fees with respect to its Australian sales of the GUC.

The brokerage fee relates to customs clearance fee paid to customs broker for the export declaration and customs clearance. This fee is incurred on an invoice-by-invoice basis. Please refer to CONFIDENTIAL Exhibit E-4.4-a for the detailed domestic brokerage fee calculation.

Further, NEXTEEL paid bank charges in collecting the payment from Australian customers. NEXTEEL has calculated the ratio of the fee by dividing the fee with the collection amount and then applied the ratio in each relevant transaction reported in the B-2 worksheet. NEXTEEL has reported this expense in the column [28] "Other costs - Bank Charge (KRW)" and the column [29] "Other costs - Bank Charge (USD)", and also provided the sample calculation of bank charge for a sampled Australian sale in CONFIDENTIAL Exhibit E-4.4-b.

## 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.

## PUBLIC RECORD

- Refer to Chapter 15 of the *Dumping and Subsidy Manual (December 2021)*<sup>2</sup> for more information.

**Apart from the adjustment factors identified in E-1, E-3, and E-4 above, NEXTEEL has not identified other adjustment at this stage.**

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<sup>2</sup> 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.

**Sales processes to any third country are generally the same as the sales process described in B-1.1 (i.e. exports to Australia). The main difference is that for exports to third countries, [Confidential text deleted – sales process].**

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.**

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.

**NEXTEEL notes that it has sufficient domestic sales of like goods during the review period. Therefore its third country sales will not be relevant for the purpose of dumping margin determination in this review.**

**For completeness, NEXTEEL advises that it considers the date of sales for third country sales made on DDP or DAP terms to be the customs clearance date in the importing country. This is because, [Confidential text deleted – sales process and accounting information].**

### 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.

## PUBLIC RECORD

- 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.

**NEXTEEL has provided CONFIDENTIAL Exhibit F-2 Third country sales.**

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

**NEXTEEL has provided the source of the data for each column of tab F-2.2 in CONFIDENTIAL Exhibit F-2.**

### 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.

**Various differences exist between Australian sales and third country sales with respect to sales channels and delivery terms, commission, and market conditions, which affect the functions performed, risks assumed, and costs incurred by NEXTEEL.**

**In any case, NEXTEEL understands that third country sales will not be required for comparison to export sales to Australia as there are sufficient domestic sales of like goods for the calculation of normal value.**

## 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.

**NEXTEEL's production process for the goods is as follows: [Confidential text deleted – detailed description of 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.

**No.**

### G-2 Cost accounting practices

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

**NEXTEEL'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).

**NEXTEEL applies a process costing system in its normal cost accounting practices.**

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

**Please refer to CONFIDENTIAL Exhibit G-2.4 for the cost centres in NEXTEEL's cost accounting system.**

**The activity names associated with the indirect cost centers contained in Exhibit G-2.4 are as follows: [Confidential text deleted – name and description of internal cost centers].**

## PUBLIC RECORD

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

**NEXTEEL records production costs [Confidential text deleted – description of cost recording practice].**

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

**No, there are no costs for management accounting purposes which are valued differently than for financial accounting purposes.**

7. Has your company engaged in any start-up operations in relation to the goods? If yes:
- Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
  - 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.

**NEXTEEL did not engage in any start-up operations in relation to the goods during the review period.**

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)?

**Raw material inventories, work-in-progress (including semi-finished products such as skelp), and goods in transit are valued at actual cost using the specific identification method. Finished goods inventories and the cost of goods sold for pipe are valued on a monthly weighted-average basis. All inventory items are stated at the lower of cost or market value.**

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

**Damaged goods that cannot be sold as products are treated as scrap and are valued based on their scrap sales value.**

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

**NEXTEEL does not manufacture co-products or by-products in its facility. Scrap is valued based on scrap sales values estimated based on the unit price of scrap sales from the previous month.**

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

- 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.

## PUBLIC RECORD

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

Please see CONFIDENTIAL Exhibit G-3 Domestic 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 see CONFIDENTIAL Exhibit 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 see CONFIDENTIAL Exhibit G-4 SG&A.

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".
  - This worksheet calculates the unit domestic SG&A for each MCC.

## PUBLIC RECORD

- You must provide this list in electronic format using the template provided.
- Please use the formulas provided.

Please see **CONFIDENTIAL** worksheet **G-4.2 Domestic SG&A calculation in CONFIDENTIAL Exhibit G-4**.

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 see **CONFIDENTIAL Exhibit 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 see refer to **CONFIDENTIAL Exhibit G-4.3 Upwards SG&A**.

## 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 see **CONFIDENTIAL Exhibit G-5 Australian CTM**. Please also refer to the sample cost calculation in **CONFIDENTIAL Exhibit G-6.2 for the methodology NEXTEEL used to derive the CTM for MCC reported in G-3 and G-5**.

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 see **CONFIDENTIAL worksheet G-5.2 Australian CTM source in CONFIDENTIAL Exhibit G-5**.

## 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

**NEXTEEL allocates costs reported in G-3 Domestic CTM and G-5 Australian CTM based on actual production data recorded in its normal cost accounting system.**

**For raw materials, the material cost for the initial production process, slitting, is calculated as [Confidential text deleted – cost allocation method details].**

**When skelp is transferred from slitting to the forming process, [Confidential text deleted – cost allocation method details].**

**Conversion costs are allocated to production orders [Confidential text deleted – cost allocation method details].**

**With respect to manufacturing overheads, [Confidential text deleted – cost allocation method 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.

**The domestic model with the largest production volume over the period was [Confidential text deleted – MCC]. Please see the cost allocation method in CONFIDENTIAL Exhibit G-6.2.**

## G-7 Major raw material costs

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

**The major raw material used in the manufacture of the goods is hot rolled coil.**

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.

**PUBLIC RECORD**

No.

- 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.

**The weighted average percentage of hot rolled coil as a proportion of total cost to make was [Confidential text deleted – percentage figure].**

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

**Please see CONFIDENTIAL Exhibit G-7.4 Raw material purchases.**

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

**Please see CONFIDENTIAL Exhibit G-7.4 Raw material purchases. For the source of the data of G-7.4, please refer to CONFIDENTIAL Exhibit G-7.6(b).**

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

**Please see CONFIDENTIAL Exhibit G-7.6(a)(1) and CONFIDENTIAL G-7.6(a)(2) for the two largest raw material purchase invoices.**

**Please refer to CONFIDENTIAL G-7.6(b) for the raw material purchase listing reconciliation.**

- 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.

**None of the suppliers in G-7.4 Raw material purchases are related to NEXTEEL.**

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

- 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.

## PUBLIC RECORD

Please see CONFIDENTIAL Exhibit 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 see CONFIDENTIAL Exhibit G-8.

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 see CONFIDENTIAL Exhibit G-8.

## 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.

NEXTEEL records [Confidential text deleted – production recording method details].  
The aggregated production data is then used to prepare the production quantities reported in worksheets “G-3.1 Domestic CTM” and “G-5.1 Australian CTM.” The detailed calculation methodology is illustrated in worksheet Exhibit G-6.2.

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.

In relation to production quantities, NEXTEEL maintains documentation including [Confidential text deleted – production recording method details].

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”.

**PUBLIC RECORD**

**The differences between the production quantities reported in G-3 and G-5, and the sales volumes reported a D-2 and B-2, are caused by: [Confidential text deleted – explanation of production quantity discrepancies].**

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?

**Production volumes are determined differently for export and domestic sales. For export sales, production is [Confidential text deleted – explanation of decisions around production volume for export sales].**

**For domestic sales, production volumes are determined by [Confidential text deleted – explanation of decisions around production volume for domestic sales].**

**Each production line operates [Confidential text deleted – explanation of operation of production lines].**

**Domestic inventory production [Confidential text deleted – details on management of inventory production].**

**Production volumes and product mix are reviewed and determined as part of the monthly production scheduling process, with adjustments made as necessary to reflect changes [Confidential text deleted – sensitive operations information].**

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

**Raw materials are procured [Confidential text deleted – lead time factors].**

## EXPORTER'S DECLARATION

I hereby declare that **Nesteel Co., Ltd** has 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**

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**Signature**

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**Position in Company**

Director

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**Date**

23 February 2026

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## 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.

## PUBLIC RECORD

### 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

## PUBLIC RECORD

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

## PUBLIC RECORD

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.