

18 June 2026

The Director
Investigations 4
GPO Box 2013
Canberra ACT 2601
Australia

Investigation No.690

Response to SEF

In response to the SEF 690 dated 29 May 2026. Jettransit wishes to draw to the Commissioner the following observations and questions.

Injury Effect

Jettransit notes that the SEF did not explore in detail the source of steel billets used by Comsteel. Jettransit is aware that approximately 70% of the total FRW finished product value is based on the Steel Billet costs. This is confirmed in the SEF.

In Sept 2023 Comsteel pivoted to overseas supply of Steel Billet and closed its steel manufacturing operation in Newcastle. This significant change would have led to “abnormal” costs such as employee redundancies, facility and equipment remediation costs, write down of assets and expense to negotiate new supply chains overseas for Comsteel. This would be reflected in lower overall profit margins. The effect could be that the amount of injury sustained by Comsteel in the SEF analysis period may be distorted by the lower profit margins.

During the SEF analysis period, Jettransit is aware that Comsteel sourced approx. [REDACTED] of its Steel Billet requirements from Chinese manufacturers. This means that 70% of

Comsteel's total manufacturing cost (now and into the future) takes advantage of Chinese steel market pricing.

Because of this, Jetransit believes that the amount of injury potentially sustainable by Comsteel in future should be based on a calculation of only 30% of the total FRW normal value and further discounted for abnormal cost such as restructuring.

Relevant Post Investigation changes in the Market

Could the Commission please indicate if the effect of the [REDACTED] FRW tender was considered and had any impact on the Duty calculations for any respondents.

- [REDACTED] is one of Australia's largest FRW operators/buyers.
- [REDACTED] had a tender out in the marketplace during May 2025 for a total of quantity approximately [REDACTED] FRW disc over [REDACTED]. Interested parties were required to formally submit prices of many different FRW models (Size and Steel specification combinations), during the SEF analysis period.
- This is potentially the largest FRW market sales opportunities in the country for several years before and after.
- Jetransit is aware that there were 5 respondents, of which [REDACTED] and Jetransit were 3.
- Prior to the tender, the majority of the FRW (subject to the tender) were known to be supplied by Comsteel.
- The winner of this tender is would likely become the FRW price maker for the whole of Australia. Before the analysis and application of any Dumping Duties.

Jetransit believes that the [REDACTED] wheel tender significantly changed the local market for FRW to the extent that it should be considered in the commissioner's decision relating to the calculation and impost of ICD & IDD.

Calculation of Normal Value

The WTO has already indicated to the Australian Government, significant concern that the calculation of Normal Value for products containing Chinese steel, should follow regular rules and be based on the normal domestic value in China and not a simulated analysis of steel supply from Euro/Turkey sources.

In this FRW case, where all participants, including Comsteel, procure Steel Billet from Chinese steel mills, it would make unbiased economic sense to use the Domestic Chinese Steel Billet value for calculation of Normal Value, or as suggested above, the proportion of the Steel Billet value inside the whole FRW value to be discounted out of all equations.

Could the Commissioner please indicate how the analysis of “Australian Made” takes into consideration the smaller percentage of the whole FRW value that is now “value added” in Australia.

Could the Commissioner please recalculate the Normal Value for FRW to account for the above anomalies for how Steel Billet value is considered.

Jettransit notes that the calculation of the normal value was based on the 915-size wheel, which based on Jettransit’s market knowledge is likely to be one of the most expensive type, compared with the lowest weight average price for all other imports. Further, Jettransit understands that due to the information available from the ABF may not have allowed for the most appropriate consideration of the effects of size and specific material type on the Value of different wheels.

Appreciating the complexity of determining appropriate methods to apply the ICD and IDD, Jettransit suggests that the ADC consider a per kg rate for different grades of steel be adopted as a more precise and fairer way to apply measures.

Peter Hong Ning

Chief Executive Officer