PUBLIC RECORD

Australian Government
Department of Industry, Science and Resources

Anti-Dumping Commission

Exporter verification report

Verification and case details

Company verified	Dynamic Mesh & Wire Industries Sdn Bhd		
Case number	692		
Initiation Anti-Dumping Notice (ADN)	2025/114		
The goods under consideration	Certain Welded Steel Mesh Sheets		
Case type	Dumping Investigation		
Location	40–44 Anzac Avenue, Smeaton Grange NSW 2567		
Verification meeting dates	26/05/2026	to	28/05/2026
Investigation period	1/10/2024	to	30/09/2025

This report details the findings and recommendations of a verification team in the Anti-Dumping Commission.

This report may not reflect the Anti-Dumping Commission's final position.

CONTENTS

1 ABOUT THIS REPORT

The Anti-Dumping Commission (the commission) issued a questionnaire that sought exporter data and information for Dumping Investigation 692 (case 692) into Certain Welded Steel Mesh Sheets exported from China and Malaysia during the investigation period.

Dynamic Mesh & Wire Industries Sdn Bhd (DMW), an exporter of the goods from Malaysia, submitted a questionnaire response.

The commission met with DMW to verify the response and assessed the reliability of the information.

The commission has reviewed the information submitted by DMW. This report details the commission's verification findings and recommendations about DMW for case 692.

A finding made in this verification report (verification finding) and a recommendation arising from the verification (verification recommendation) are made in the context of this verification only. These verification findings and verification recommendations may be referred to and relied on in the Statement of Essential Facts and Final Report for case 692.

In this report, unless otherwise stated:

- all **sections** cited are from the ***Customs Act 1901* (Cth)**
- all **regulations** cited are from the ***Customs (International Obligations) Regulation 2015* (Cth)**
- the term **ADN** refers to **Anti-Dumping Notice**.

The commission details its process and findings in the verification work program at **Confidential attachment 1**.

2 KEY OUTCOMES

Dumping margin	**Negative 19.7%**
Export price method	269TAB(1)(b)
Normal value method	269TAC(1)
Adjustment method	269TAC(8)
Sales data complete, relevant and accurate?	Yes, with material revisions
Cost data complete, relevant and accurate?	Yes, with material revisions

3 VARIABLE FACTORS

3.1 About this chapter

This chapter details the commission's recommendations about how to set the variable factors used to calculate the rate of dumping for goods that DMW produced or sold.

Australian customs law sets out different ways to calculate variable factors based on the facts available.

This chapter summarises the commission's recommendations about how to set:

- an **export price**
- a **normal value**
- a **dumping margin**

More information on what variable factors are and how the commission determines variable factors is in **Non-Confidential Appendix 1**.

3.2 Export price

The commission recommends setting an export price for DMW under section 269TAB(1)(b).

Under this section, an export price is the price at which the importer sold the goods, less the prescribed deductions.

The commission finds that the importer purchased the goods and then sold the goods in the same condition.

The commission recommends that an export price for DMW cannot be set under section 269TAB(1)(a) because the importer did not purchase the goods at arm's length.

Confidential appendix 1 contains the commission's export price calculations.

3.2.1 Who is the exporter?

The commission considers DMW is the exporter of the Australian export goods because this company:

- produced the Australian export goods
- is named as the supplier on commercial invoices
- arranged and paid for ocean freight and marine insurance
- is named as consignor on bills of lading.

3.2.2 Who is the importer?

For all transactions, the commission considers Australian Steel & Wire (ASW) is the importer of the Australian export goods. In other words, ASW beneficially owned the Australian export goods at the time of import into Australia.

For each transaction, ASW:

- is named as the consignee on bills of lading
- arranged delivery from the port of arrival in Australia
- is named as the importer on import declarations to ABF.

3.2.3 Were the Australian export sales sold at arm's length?

3.2.3.1 Unrelated customers

DMW did not sell the goods to unrelated customers during the investigation period.

3.2.3.2 Related customers

For all related customer transactions, the commission finds that DMW sold the Australian export goods **not at arm's length** as defined under section 269TAA.

For these transactions, the commission finds that a relationship between a buyer, a seller or their associates appeared to influence the price.

For these transactions, the commission notes that:

- DMW and ASW were related by common ownership during the investigation period.
- ASW purchased the Australian export goods exclusively from DMW.
- an internal transfer pricing guide determined prices between DMW and ASW.

Although the commission finds these transactions are not at arm's length, the commission does not find that:

- the transactions were unprofitable.

3.3 Normal value

The commission finds that there is a sufficient sales volume of domestic like goods by other sellers in Malaysia during the investigation period, sold at arm's length and in the ordinary course of trade to set a normal value under section 269TAC(1).

The commission calculated weighted average normal values for DMW based on the normal values ascertained for the other sellers of domestic like goods during the investigation period at **confidential appendix 3**.

3.3.1 Did the verified company produce and sell like goods for the domestic market?

No, DMW did not produce and sell like goods for the domestic market.

3.3.2 Do the accounting records comply with generally accepted accounting principles?

The commission finds that DMW's accounting records for the investigation period comply with the generally accepted accounting principles of Malaysia.

Thiang & Co PLT audited DMW's financial statement and included a statement that the financial accounts comply with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia in the annual report.

3.3.3 Did the production records reasonably reflect competitive market costs?

The commission finds that DMW's production records reasonably reflect competitive market costs.

The commission did not identify related party suppliers or any other evidence of non-competitive market costs.

4 VERIFICATION DETAILS

4.1 About this chapter

This chapter details what the commission found when verifying DMW's questionnaire response for case 692.

This chapter first summarises the commission's assessment of DMW's submitted information. This summary includes a list of material revisions made to this information before the commission finalised the verification.

This chapter summarises verified key details about DMW, relating to:

- the range of goods produced or sold
- corporate operations and structure.

This chapter then outlines the commission's method to verify and validate DMW's submitted information.

More information on how the commission verifies information is in **Non-Confidential Appendix 1**.

4.2 Verification findings and material revisions

The commission finds that the information DMW submitted is complete, relevant and accurate after material revisions.

4.2.1 Sales

Material revision 1: Australian sales - Removal of third country sales

Description: The commission identified that DMW sales to customers in the United States were incorrectly included in the B-2 Australian sales listing submitted in response to the REQ.

Resolution: DMW submitted a revised B-2 Australian sales listing and removed the sales relating to the USA from the reported Australian sales database

Material revision 2: Australian sales - Revised unit of quantity

Description: The commission identified that sales quantities were expressed only as the number of sheets. **Resolution:** DMW supplied a revised B-2 Australian sales listing with an added column for quantities expressed in metric tonnes. The commission was able to reconcile the tonnage to the number of sheets and the mesh specifications.

4.2.2 Cost to make and sell

Material revision 3: Australian CTM – Revised cost allocations

Description: The commission identified errors in the allocation of the costs of labour and manufacturing overheads. **Resolution:** DMW provided a revised version of the CTM. The commission has verified the allocations and is satisfied that these are reasonable.

4.3 Types of goods produced or sold in the submitted information

4.3.1 Model control code compliance and amendments

The sales and cost data DMW submitted comply with the model control code (MCC) structure detailed in ADN 2025/114.

DMW proposed a change to the MCC structure on the basis that it mainly exports mine mesh to Australia. DMW stated that mine mesh is priced at a different price point that is not captured by the commission's current MCC structure. DMW submitted that the MCC structure should be amended to include a new segment, "Wire finish", positioned as the first segment in the MCC.

After analysing the proposal, and comparing prices of different models of the goods, the commission does not recommend amending the MCC structure, as there is insufficient evidence to support such a change.

4.3.2 Verification of model control codes

Coating	Based on the coating indicated on the purchase order, commercial invoice and shipping documents.
Highest nominal cross-sectional diameter (millimetres or "mm") of longitudinal members	Based on the diameter indicated on the purchase order, commercial invoice and shipping documents.
Sheet size measured by nominal area (sheet length × sheet width in m²)	Based on the sheet size indicated on the purchase order, commercial invoice and shipping documents.

Table 1 details how the commission determined MCC sub-categories and verified them to source documents.

Category	Sub-category verification method
Prime	All goods sold for export are prime unless sold as scrap.
Coating	Based on the coating indicated on the purchase order, commercial invoice and shipping documents.
Highest nominal cross-sectional diameter (millimetres or “mm”) of longitudinal members	Based on the diameter indicated on the purchase order, commercial invoice and shipping documents.
Sheet size measured by nominal area (sheet length × sheet width in m²)	Based on the sheet size indicated on the purchase order, commercial invoice and shipping documents.

Table 1 MCC sub-category determination

4.3.3 List of model control codes

DMW both produced and sold the following MCCs during the investigation period:

Sales MCC	Australian sales	Costs MCC
P-G-A-L	Yes	P-G
P-G-A-M	Yes	
P-G-A-S	Yes	
P-G-A-XL	Yes	
P-N-A-L	Yes	P-N
P-N-A-M	Yes	
P-N-A-XL	Yes	

Table 2 List of MCCs produced or sold

4.4 Corporate information

4.4.1 Company information

DMW is a Malaysian manufacturer of steel mesh sheets, predominantly mine mesh, and related steel products. The operation was established in 2012; currently, DMW's primary function is to manufacture steel mesh for supply to Jennmar Australia Pty Ltd (Jennmar Australia).

DMW forms part of the Jennmar corporate group and operates within an integrated supply chain that includes manufacturing, importing and distribution activities. DMW is owned by FCI Holdings Australia Pty Ltd, and the ultimate owner is Frank Calandra Inc. (United States).

During the investigation period, all of DMW's steel mesh exports were made to ASW. Prior to 1 January 2026, commercial orders and decisions relating to DMW's Australian sales were made through ASW. Following the wind-up of ASW on 1 January 2026, these commercial functions transferred to Jennmar Australia. Since that date, DMW has exported to Jennmar Australia, which purchases products from DMW and on-sells them to related and unrelated customers in Australia. Under this arrangement, both the exporter and importer still operate within the same corporate group.

4.4.2 Related companies

DMW, ASW and Jennmar Australia are related entities within the Jennmar corporate group and were under common ownership during the investigation period. DMW supplied mine mesh to these related entities, which imported, distributed and sold the goods in their respective markets. The sales between DMW and ASW were conducted using an internal group pricing method and were reviewed by the commission for arm's-length purposes. The commission is satisfied that these sales were not made at arm's length.

4.4.2.1 Related suppliers

The commission is satisfied that DMW did not purchase raw material from related party suppliers during the investigation period.

4.4.2.2 Related customers

During the investigation period, DMW sold the Australian export goods only to the related-party customer ASW. The commission reviewed these transactions and found that:

DMW and ASW were related by common ownership during the investigation period;

ASW purchased the Australian export goods exclusively from DMW; and

an internal transfer pricing guide determined the prices between DMW and ASW.

Based on the above factors, the commission is satisfied that the transactions between DMW and ASW were not conducted at arm's length.

DMW does not sell the goods on the domestic market.

4.5 Method used to verify information

4.5.1 Sales completeness and relevance

The commission:

1. Reconciled the revenue for the 2025 financial year to the audited financial statements and trial balance.
2. Reconciled the revenue for the period to income statement and the trial balance.
3. Reconciled the sales master sales listing for the period to the trial balance.
4. Reviewed the categorisation of the goods in the master sales listing.
5. Reconciled the sales value of the goods from the master sales listing to the third country and Australian sales listings.

4.5.2 Cost to make completeness and relevance

The commission:

1. Reconciled the cost of goods sold for the 2025 financial year to the audited financial statements and trial balance.

2. Reconciled the cost of goods sold for the investigation period to the income statement.
3. Reviewed allocation of expenses in the accounting system between manufacturing overhead and SG&A, as the financial system captured labour and overheads under expenses during the investigation period.
4. Reconciled the cost of goods sold to the total company cost to make for the period.
5. Reviewed the categorisation of the cost to make of the goods and non-goods.
6. Reconciled the cost to make of the goods to the Australian and Third country cost spreadsheets.

4.5.3 Selling, general and administrative expense completeness and relevance

The commission:

1. Reconciled the SG&A listing for the 2025 financial year to the audited financial statements and trial balance.
2. Reconciled the SG&A listing for the period to the trial balance.
3. Reviewed allocation of expenses in the accounting system between manufacturing overhead and SG&A, as the financial system captured labour and overheads under expenses during the investigation period.
4. Reviewed selected accounts of the SG&A listing to ascertain whether these were relevant for the domestic SG&A calculation.
5. Verified the direct selling expenses and reconciled these to the sales listings.

4.5.4 Cost allocation

Table 3 outlines how the commission allocated each cost component.

Cost component	Allocation method applied
Raw materials	Black wire and galvanised wire are costed by applying relevant process costs, including labour and overheads, to the purchase costs of the wire rod.
Direct labour	Direct labour is allocated as an amount per tonne.
Manufacturing overheads	Manufacturing overheads are allocated as an amount per tonne.
Other materials and consumables	Other materials and consumables are allocated as an amount per tonne.

Table 3 Cost allocation method

4.5.5 Sales volume unit of measure

Table 4 outlines how the commission verified the unit of measure reported for sales volume.

Sales market	Assessment
Australia	The commission ascertained that the weight quantities listed in the Australian sales listing reported by the exporter reflect the actual weight of the goods sold, based on the number of sheets and their specifications.

Table 4 Sales volume unit-of-measure assessment

5 APPENDICES AND ATTACHMENTS

Confidential attachment 1: Verification work program
Confidential appendix 1: Export price
Confidential Appendix 1A: Deductive export price
Confidential appendix 2: Cost to make and sell
Confidential appendix 3: Normal value
Confidential appendix 4: Dumping margin
Non-confidential appendix 1: General definitions and verification method

NON-CONFIDENTIAL APPENDIX 1: GENERAL DEFINITIONS AND VERIFICATION METHOD

What are variable factors?

Variable factors are numerical values that the commission uses to calculate the levels of dumping or countervailable subsidy. By verifying a company's data, the commission aims to set accurate variable factors and accurately calculate the level of dumping or countervailable subsidy.

The commission has explained some concepts relating to variable factors. These explanations are in simple terms and may not reflect the full, technical definitions.

Goods

The goods exported into Australia are **Australian export goods** or the **goods under consideration**.

Goods that are the same or similar to Australian export goods are **like goods**.

Variable factors

Dumping occurs if the price of Australian export goods (the **export price**) is less than the equivalent price of like goods in an exporter's domestic market (the **normal value**).

The **amount of dumping** is the difference between a normal value and the corresponding export price – that is, the normal value minus the export price.

A **subsidy** is a financial contribution, income support or price support, from a country of export Government, public body or a private body being directed by the Government or public body that confers a benefit to Australian export goods.

The Australian government can cancel out – that is, **countervail** – the effect of a subsidy, if that subsidy is specific to Australian export goods. In other words, a subsidy specific to Australian export goods is a **countervailable subsidy**.

The minimum export price to prevent material injury to an Australian industry is the **non-injurious price**. The commission typically relies on information from Australian industry and other sources to calculate this price, which is beyond the scope of this verification. The commission has therefore not calculated a non-injurious price in this report.

Margins calculated using variable factors

A **dumping margin** is the rate of dumping compared to the export price.

A **subsidy margin** is the rate of countervailable subsidy attributable to Australian export goods.

Export price method

Section 269TAB lists different ways to calculate an export price based on the facts available.

The commission considers these questions, among others, before calculating an export price:

- Did the verified company sell goods for Australian export?
- Who is the exporter?
- Who is the importer?
- Did the exporter sell to the importer at arm's length?

In this chapter, the commission summarises its findings about facts that affect how to calculate an export price.

Who is the exporter method

The commission generally identifies an **exporter** as a company, located in the country of export, who is a principal company involved in an Australian export goods transaction. At least one of the following generally also applies for a company to be an exporter:

- the company knowingly transferred the goods to its own vehicle, or to a freight company, to deliver the goods to Australia
- at the time the goods shipped, the company owned or previously owned the goods.

To identify the exporter, the commission typically relies on information about Australian export transactions from stakeholders and Australian Border Force.

Who is the importer method

An **importer** is the beneficial owner of goods at the time of import. The beneficial owner may differ from the listed or nominal owner of the goods.

For example, a parent company can have direct control over a subsidiary company's assets and decisions. If that parent company lists its subsidiary company as the owner of goods at the time of import, the commission would find that parent company is the importer because it beneficially owns the goods.

To identify the importer, the commission typically relies on information about Australian export transactions provided by stakeholders and Australian Border Force.

Normal value method

Section 269TAC lists different ways to calculate a normal value based on the facts available.

The commission considers these questions, among others, before calculating a normal value:

- Did the verified company, or a party related to the verified company, sell like goods domestically?
- Were there any domestic sales of like goods?
- Was there a low volume of domestic like goods sales?
- Were the domestic like goods sales at arm's length?
- Does any component of the exporter's costs, or producer's costs, not reflect competitive market costs?
- Were the domestic like goods sales in the ordinary course of trade?
- Does the normal value require adjustments to properly compare it to the export price?

Why the commission assesses production records

The commission assesses if a company's production cost records reasonably reflect competitive market costs as required by Regulation 43(2) before selecting which method to recommend for setting a normal value under section 269TAC.

The commission assesses production cost records through methods including:

- analysing transactions for materials or services supplied by a related party to see if they reflect other costs in the market
- considering if the domestic country has generally competitive, or non-competitive, costs for certain materials or services.

If the commission finds that the production cost records reasonably reflect competitive market costs, the commission must use the recorded costs to calculate the cost of production. If the commission finds that production cost records do not reasonably reflect competitive market costs in some part, then the commission may use other information if appropriate to adjust that part of the costs before setting a normal value.

Ordinary course of trade method

The commission assesses whether domestic like goods are sold in the ordinary course of trade before selecting which method to recommend for setting a normal value under section 269TAC.

Section 269TAAD sets out which sales are in the ordinary course of trade. Under this section, a domestic like goods sale is **not** in the ordinary course of trade if the conditions below apply to the sale:

- the sale is **unprofitable in substantial quantities** over an extended period
- the sale is **unlikely to be recoverable** within a reasonable period.

The commission typically uses this method to assess each step of identifying a sale not in the ordinary course of trade.

1. A sale is **unprofitable** if its unit price is less than the corresponding unit cost to make and sell in the sales month or sales quarter
2. All sales for a model are unprofitable **in substantial quantities** if the volume of unprofitable sales is 20% or more of the total volume of sales
3. A sale is **unlikely to be recoverable** if its unit price is less than the corresponding unit cost to make and sell for the entire reasonable period.

The commission typically sets both the 'extended period' and 'reasonable period' under section 269TAAD as the inquiry, investigation or review period for a case.

Low volume of relevant domestic sales method

Under section 269TAC(1), the commission must set a normal value using a sufficient volume of domestic like goods.

If the commission uses a low volume of domestic like goods to set a normal value, then the normal value does not properly compare to the export price when measuring the level of dumping and the commission cannot set a normal value under section 269TAC(1).

To assess if there is a large enough volume of domestic sales to set a normal value under section 269TAC(1), the commission must compare the domestic and Australian export sales volumes for an exporter. If the domestic sales volume is less than 5% of the Australian export sales volume, the commission must also assess if the domestic sales volume is still large enough to use in a normal value that properly compares to the export price.

The commission uses this method to compare domestic and Australian export sales volumes both overall and for each model sold as Australian export goods. When comparing sales volumes for an individual model, the commission may use a surrogate domestic sales model to calculate normal value for the Australian export sales model.

Section 269TAC(14) sets this sufficiency test for dumping investigation cases. The commission also uses this sufficiency test when setting a normal value in other case types.

The figure below summarises the possible outcomes when assessing domestic sales volumes to use in a normal value set under section 269TAC(1).

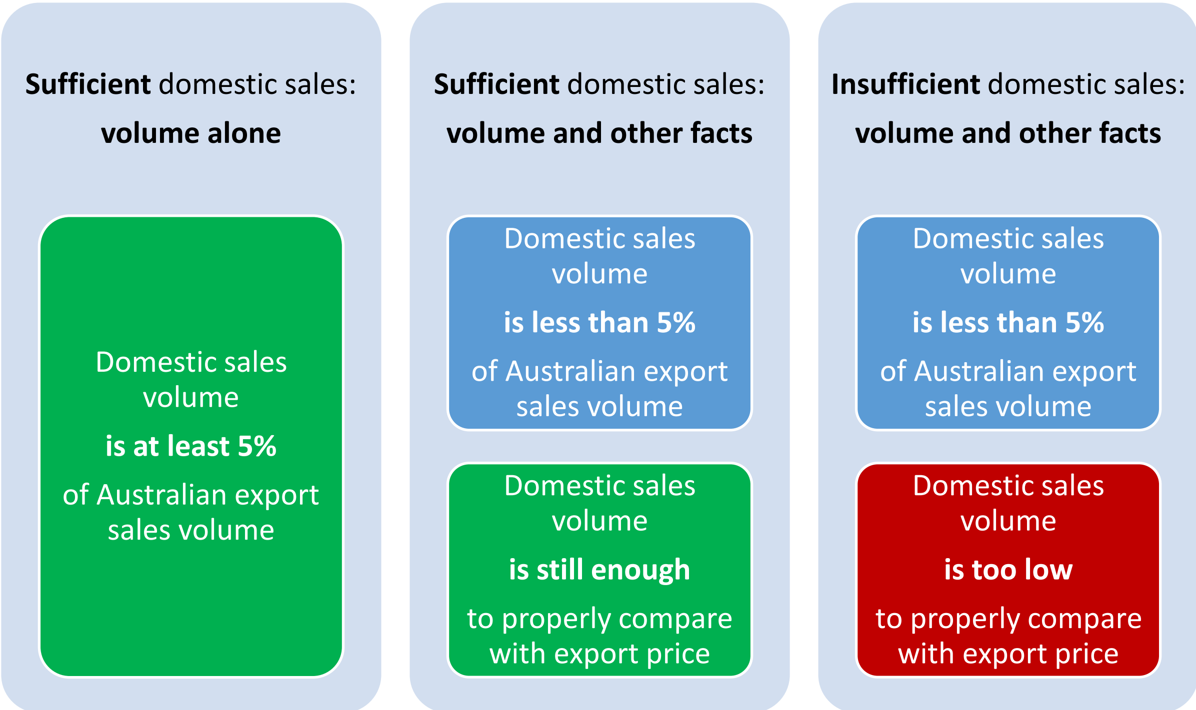

Figure 1 Possible findings about domestic sales volumes for section 269TAC(1) normal value

Method to verify information

A valid exporter questionnaire response includes data listings about sales, costs and subsidy programs (where relevant).

Before relying on submitted data listings, the commission first verifies if these listings are:

- **complete**, as in, including all the relevant data
- **relevant**, as in, including only relevant data
- **accurate**, as in, including only correct data.

In practice, the commission typically verifies data listings as complete and relevant at the same time.

ADN 2016/30 describes the commission's standard procedure to verify and validate stakeholder information.

General method to verify information as complete and relevant

The commission verifies data listings as complete and relevant by reconciling each listing's sum total up to audited financial records.

The commission typically reconciles a listing to audited records incrementally. The commission typically links a listing subtotal to management accounts, then links those management accounts to the audited records.

Figure 2 outlines how the commission verifies different topics as complete and relevant.

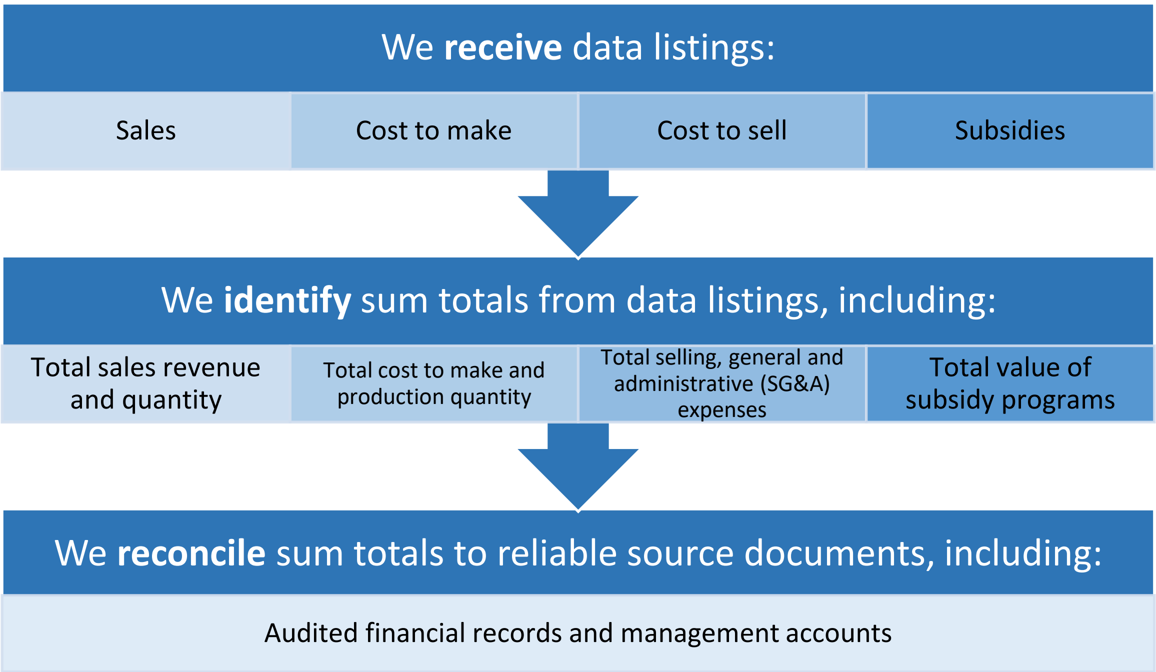

Figure 2 How the commission verifies data as complete and relevant

General method to verify information as accurate

To verify the listings are accurate, the commission typically reconciles key data from a selection of transactions in the listings down to source documents.

Figure 3 outlines how the commission verifies different topics as accurate.

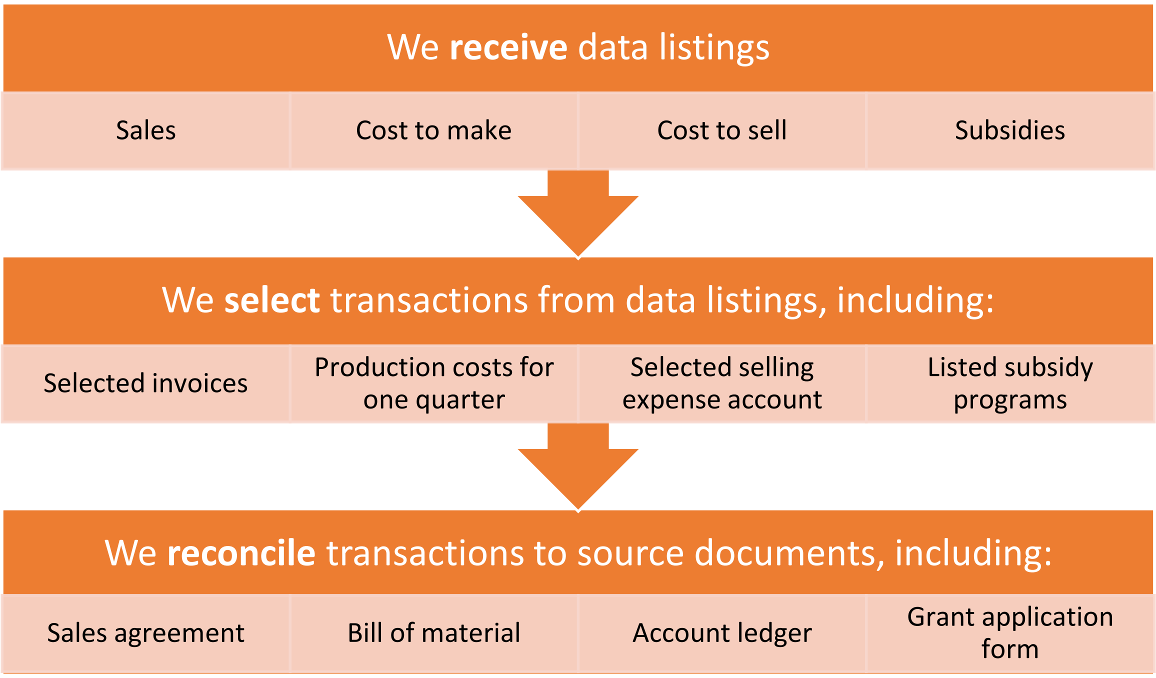

Figure 3 How the commission verifies data as accurate