



Australian Government  
Department of Industry,  
Innovation and Science

Anti-Dumping  
Commission

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## Exporter Questionnaire

**Case number:** Investigation 507

**Product:** Power Transformers

**From:** The People's Republic of China

**Investigation period:** 1 January 2016 to 31 December 2018 (the period)

**Response due by:** 24 April 2019

**Case manager:** Reuben McGovern

**Phone:** +61 3 8539 2437

**Return completed questionnaire to:**  
investigations3@adcommission.gov.au

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

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## INSTRUCTIONS

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

The Anti-Dumping Commission (the Commission) is conducting an investigation into power transformers (also referred to as 'the goods') exported to Australia from the People's Republic of China (China).

The Commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether the power transformers are dumped.

### 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 case manager 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 case manager, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

When considering the extension request, the Commission will have regard to:

- the Commission's responsibility to conduct the case in a timely and efficient manner;
- the reasons why you could not provide a response within the whole period and not only the period remaining between the request and the due date;
- ordinary business practices or commercial principles;
- the Commission's understanding of the relevant industry;
- previous correspondence and previous dealings with your company; and
- information provided by other interested parties.

More information on extensions can be found in the Customs (Extension of Time and Non-cooperation) Direction 2015 at <https://www.legislation.gov.au/Details/F2015L01736>.

You will be informed of the decision whether your request for an extension has been rejected, granted in full or granted in part. For example, you may be granted an extension to submit all sections except for Section A or you may be granted a shorter extension than you requested.

A summary of any requests and grants of extensions to submit a response to this exporter questionnaire will be published in the public record.

### **Submitting a response to the exporter questionnaire**

Responses to the exporter questionnaire should be lodged by email listed on the cover page. 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 deemed as an uncooperative exporter.

### **Confidential and non-confidential responses**

You are required to lodge a confidential version (for official use only) and a non-confidential version (for 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 "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

All information provided to the Commission in confidence will be treated accordingly. The non-confidential version of your submission will be placed on the public record, and must contain sufficient detail to allow a reasonable understanding of the substance of the information, but does not breach confidentiality nor adversely affect those interests.

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 submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. 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 submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be deemed to have significantly impeded the case and be deemed an uncooperative exporter.

### **Verification of the information that you supply**

The Commission may wish to conduct a visit to your company to verify your questionnaire response for completeness, relevance and accuracy of the information to your company's records.

The verification visit 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.

Any verification visit typically commences approximately 2 to 4 weeks after the due date of the response to the exporter questionnaire. To assist with planning of a verification visit, please contact the case manager as soon as possible for a potential verification date to be scheduled.

Verification is usually conducted over 4 days. However, in complex cases, a verification visit may be scheduled over 5 days. A verification visit 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 visit.

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 visit, which details the outcomes of the visit. This report will be placed on the public record and may include the publication of the preliminarily-

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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.

The Commission may elect to undertake an alternative verification methodology than an on-site verification to satisfy itself of the completeness, relevance and accuracy of the data.

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.
- 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-5.6)
- 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 case officer as soon as possible.
- Where possible, electronic data should be emailed or shared with the Commission via SIGBOX, a secure online document repository. Please contact the case manager to request access to SIGBOX if required.

## CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

Section	Please tick if you have responded to all questions
Section A Company information	<input type="checkbox"/>
Section A Company information  A-1 Company representative and location  1. Please nominate a contact person within your company:  Name: [ ] Position in the company: [ ] Telephone: [ ] E-mail address: [ ]  2. If you have appointed a representative, provide the contact details:  Name: <b>Wang Jiesan</b> Address: <b>16th Floor, Tower A, Technology Trading Building, North Fourth Ring Road, Haidian District, Beijing</b> Telephone: [ ] E-mail address: <b>wangjiesan@law.com</b>  <i>In nominating a representative, you are granting authority to the Commission to discuss matters relating to the company with the nominated representative, including your company's confidential information.</i>  3. Please provide the location of the where the company's financial records are held. <b>Response:</b> <b>No. 68, Zhengchang Road, Kunlun Development Zone, Liyang City, Jiangsu Province PRC.</b>  4. Please provide the location of the where the company's production records are held. <b>Response:</b> <b>No. 68, Zhengchang Road, Kunlun Development Zone, Liyang City, Jiangsu Province PRC.</b>	<input type="checkbox"/>
<b>A-2 Company information</b>  1. What is the legal name of your business? <b>Response:</b>	

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<p><b>Jiangsu Huapeng Transformer Co., Ltd.(Hereinafter referred to as Huapeng)</b></p> <p>2. Does your company trade under a different name and/or brand? If yes, provide details. <b>Response:</b> <b>Not applicable.</b></p> <p>3. Was your company ever known by a different legal and/or trading name? If yes, provide details <b>Response:</b> <b>Not applicable.</b></p> <p>4. Provide a list of your current board of directors and any changes in the last two years. <b>Response:</b> <b>The executive director of Huapeng is Qian Hongjin.</b></p> <p>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; <u>and</u> (b) A list of all related companies and its functions <b>Response:</b> <b>Huapeng is a member of Jiangsu Huapeng Group Co., Ltd.</b> <b>Please see Exhibit 1-A2.5-Affiliated Companies of Huapeng.</b></p> <p>6. Is your company or parent company publically listed?  If yes, please provide:  (a) The stock exchange where it is listed; <u>and</u> (b) Any principle shareholders  If no, please provide:  (a) A list of all principal shareholders and the shareholding percentages. <b>Response:</b> <b>No, Huapeng is not a listed company.</b> <b>There is only one shareholder which is Jiangsu Huapeng Group Co., Ltd.</b></p> <p>7. What is the overall nature of your company's business? Include details of the products that your company</p>	
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<p>manufacture and sell and the market your company sells into. <b>Response:</b> <b>Huapeng only produce and sell power transformer.</b></p> <p>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:</p> <ul style="list-style-type: none"><li>(a) produce or manufacture;</li><li>(b) sell in the domestic market;</li><li>(c) export to Australia; and</li><li>(d) export to countries other than Australia.</li></ul> <p><b>Response:</b> <b>Huapeng performs all the functions in relation to the goods under consideration.</b></p> <p>9. Provide your company's internal organisation chart. <b>Response:</b> <b>Please see Exhibit 2-A2.9- internal organisation chart.</b></p> <p>10. Describe the functions performed by each group within the organisation. <b>Response:</b> <b>1) International Sales Department: The International Sales Department deals on exporting products to international market.</b></p> <p><b>2) Financial Department: Financial Department coordinates the monthly closing process and produces financial statements in a timely manner. The department manages the flow of information to and from subsidiaries. The department also prepares payments and invoices.</b></p> <p><b>3) Design Department: The Design Department is responsible for designing products.</b></p> <p><b>4) Domestic Sales Department: The Domestic Sales Department deals on selling products in our country.</b></p> <p><b>5) Production Department: Production Department is responsible for manufacturing products.</b></p> <p><b>6) Supply Department: The Supply Department reviews purchase order, making sure the goods are ordered in optimum</b></p>	
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delivery and the process of ordering running smoothly and participating in the development of specifications for services, equipments, products, supplies or substitute materials. It also forecasts requirements and orders products to meet sales demands.

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

**Response:**

**Please see Exhibit 3-A2.11-Brochure of Huapeng.**

### **A-3 General accounting information**

1. What is your financial accounting period?

**Response:**

**The accounting period is from 1st Jan. to 31th Dec.**

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

**Response:**

**Yes, the auditor is Liyang Zhongcheng Certified Public Accountants Co., Ltd.**

3. What currency are your accounts kept in?

**Response:**

**Chinese yuan, RMB.**

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

**Response:**

**The financial accounting system is Yonyou.**

5. What is the name of your sales system?

**Response:**

**The sales system is Yonyou.**

6. What is the name of your production system?

**Response:**

**The production system is Yonyou.**

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.

**Response:**

**Not applicable.**

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

**Response:**  
**Not applicable.**

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

**Response:**  
**Not applicable.**

#### **A-4 Financial Documents**

1. Please provide the four (4) 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.

**Response:**  
**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

2. 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.

**Response:**  
**Not applicable.**

3. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for the financial years ending 2014 through to 2018. If your financial year does not end on 31 December, then provide data up to 31 December 2018.

**Response:**  
**Not applicable since Huapeng had only one profit centre.**

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<p>4. If the period is different to your financial period, please provide:</p> <p style="padding-left: 40px;">(a) Income statements directly from your accounting information system covering the most recent financial period and the period; <u>or</u></p> <p style="padding-left: 40px;">(b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.</p> <p><b>Response:</b> <b>Not applicable since the period is the same to our financial period.</b></p> <p>5. Please provide a copy of your company's trial balance covering the 4 most recent financial years. . If your financial year does not end on 31 December, then provide data up to 31 December 2018.</p> <p><b>Response:</b> <b>[confidential information]</b></p> <p style="padding-left: 40px;"><i><b>This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.</b></i></p> <p>6. Please provide your company's chart of accounts.</p> <p><b>Response:</b> <b>Please see Exhibit 6-A4.6-Chart of accounts.</b></p> <p><i>If any of the documents are not in English, please provide a complete translation of the documents.</i></p> <p>Section B Export sales to Australia</p>	
<p>[confidential information]</p> <p><i><b>This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.</b></i></p> <p>Section C Exported goods &amp; like goods</p>	<input type="checkbox"/>

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Section D Domestic sales	<input type="checkbox"/>
[confidential information] This <i>is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.</i>	<input type="checkbox"/>
Section E Due allowance	
Section F Third country sales	<input type="checkbox"/>
Section G Cost to make and sell	<input type="checkbox"/>
<b>Error! Reference source not found.</b>	<input type="checkbox"/>
Non-confidential version of this response	<input type="checkbox"/>

<b>Attachments</b>	Please tick if you have provided spreadsheet
B-2 Australian sales	<input type="checkbox"/>
B-4 Upwards sales	<input type="checkbox"/>
B-5 Upwards selling expenses	<input type="checkbox"/>
D-2 Domestic sales	<input type="checkbox"/>
F-2 Third country sales	<input type="checkbox"/>
G-3 Domestic CTM	<input type="checkbox"/>
G-4.1 SG&A listing	<input type="checkbox"/>
G-4.2 Dom SG&A calculation	<input type="checkbox"/>
G-5 Australian CTM	<input type="checkbox"/>
G-7.1 List of raw materials	<input type="checkbox"/>
G-7.4 Raw material purchases	<input type="checkbox"/>
G-8 Upwards costs	<input type="checkbox"/>
G-9 Capacity utilisation	<input type="checkbox"/>

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

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices, are:

*Liquid dielectric power transformers with power ratings of equal to or greater than 10 MVA (mega volt amperes) and a voltage rating of less than 500kV (kilo volts) whether assembled or unassembled, complete or incomplete.*

Incomplete transformers are sub-assemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of power transformers. The active part of a power transformer consists of one or more of the following when attached to or otherwise assembled with one another:

- the steel core;
- the windings;
- electrical insulation between the windings; and
- the mechanical frame.

The product definition includes step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, traction transformers, trackside transformers and power rectifier transformers.

Distribution transformers are not the subject to the measures.

## SECTION A COMPANY INFORMATION

### A-1 Company representative and location

5. Please nominate a contact person within your company:

Name: [ ]  
Position in the company: [ ]  
Telephone: [ ]  
E-mail address: [ ]

6. If you have appointed a representative, provide the contact details:

Name: **Wang Jiesan**  
Address: **16th Floor, Tower A, China Technology Trading Building, No. 66 North Fourth Ring Road, Haidian District, Beijing**  
Telephone: [ ]  
E-mail address: **wangjiesan@wh-law.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.*

7. Please provide the location of the where the company's financial records are held.

**Response:**

**No. 68, Zhengchang Road, Kunlun Development Zone, Liyang City, Jiangsu Province PRC.**

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

**Response:**

**No. 68, Zhengchang Road, Kunlun Development Zone, Liyang City, Jiangsu Province PRC.**

### A-2 Company information

12. What is the legal name of your business?

**Response:**

**Jiangsu Huapeng Transformer Co., Ltd.(Hereinafter referred to as Huapeng)**

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

**Response:**

**Not applicable.**

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

**Response:**

**Not applicable.**

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

**Response:**

**The executive director of Huapeng is Qian Hongjin.**

16. 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

**Response:**

**Huapeng is a member of Jiangsu Huapeng Group Co., Ltd.  
Please see Exhibit 1-A2.5-Affiliated Companies of Huapeng.**

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17. Is your company or parent company publically listed?

If yes, please provide:

- (a) The stock exchange where it is listed; and
- (b) Any principle shareholders<sup>1</sup>

If no, please provide:

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

**Response:**

**No, Huapeng is not a listed company. There is only one shareholder which is Jiangsu Huapeng Group Co., Ltd.**

18. What is the overall nature of your company's business? Include details of the products that your company manufacture and sell and the market your company sells into.

**Response:**

**Huapeng only produce and sell power transformer.**

19. 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:

- (e) produce or manufacture;
- (f) sell in the domestic market;
- (g) export to Australia; and
- (h) export to countries other than Australia.

**Response:**

**Huapeng performs all the functions in relation to the goods under consideration.**

20. Provide your company's internal organisation chart.

**Response:**

**Please see Exhibit 2-A2.9- internal organisation chart.**

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

**Response:**

**1) International Sales Department: The International Sales Department deals on exporting products to international market.**

**2) Financial Department: Financial Department coordinates the monthly closing process and produces financial statements in a timely manner. The department manages the flow of information to and from subsidiaries. The department also prepares payments and invoices.**

**3) Design Department: The Design Department is responsible for designing products.**

**4) Domestic Sales Department: The Domestic Sales Department deals on selling products in our country.**

**5) Production Department: Production Department is responsible for manufacturing products.**

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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.

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**6) Supply Department:**The Supply Department reviews purchase order, making sure the goods are ordered in optimum delivery and the process of ordering running smoothly and participating in the development of specifications for services, equipments, products, supplies or substitute materials. It also forecasts requirements and orders products to meet sales demands.

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

**Response:**

**Please see Exhibit 3-A2.11-Brochure of Huapeng.**

### A-3 General accounting information

10. What is your financial accounting period?

**Response:**

**The accounting period is from 1st Jan. to 31th Dec.**

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

**Response:**

**Yes, the auditor is Liyang Zhongcheng Certified Public Accountants Co., Ltd.**

12. What currency are your accounts kept in?

**Response:**

**Chinese yuan, RMB.**

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

**Response:**

**The financial accounting system is Yonyou.**

14. What is the name of your sales system?

**Response:**

**The sales system is Yonyou.**

15. What is the name of your production system?

**Response:**

**The production system is Yonyou.**

16. 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.

**Response:**

**Not applicable.**

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

**Response:**

**Not applicable.**

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

**Response:**

**Not applicable.**

### A-4 Financial Documents

7. Please provide the four (4) 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.



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**Response:**  
[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

8. 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.

**Response:**  
**Not applicable.**

9. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for the financial years ending 2014 through to 2018. If your financial year does not end on 31 December, then provide data up to 31 December 2018.

**Response:**  
**Not applicable since Huapeng had only one profit centre.**

10. 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.

**Response:**  
**Not applicable since the period is the same to our financial period.**

11. Please provide a copy of your company's trial balance covering the 4 most recent financial years. . If your financial year does not end on 31 December, then provide data up to 31 December 2018.

**Response:**  
[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

12. Please provide your company's chart of accounts.

**Response:**  
**Please see Exhibit 6-A4.6-Chart of accounts.**

*If any of the documents are not in English, please provide a complete translation of the documents.*

## SECTION B EXPORT SALES TO AUSTRALIA

### B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and any entities (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

**Response:**

**Huapeng sometimes participated international exhibition for marketing. Anyway, as a long-time producer of power transformer, most customer know Huapeng from internet. In most cases, the customer will make an inquiry with product specification by email and Huapeng will response by providing an offer. After the agreement on price and other contract items, the client will issue a purchase order and Huapeng will arrange production. The producing period will last several months according to different type of products. After finishing product, Huapeng will arrange the delivery according to the order and make commercial invoice to the client. The payment usually will be made by four instalments. Please be noted that in the investigation period, Huapeng sold 5 sets of transformer(subject goods) to Australia and the buyer and payer is an US company, the products were directly delivered to Adelaide, Australia.**

2. In what currency do you invoice your Australian customers? 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 and how often is it updated in your accounting system?

**Response:**

**In Australian sales, Huapeng is using USD in the invoice and the customer will pay us into a foreign currency denominated account, the account number is 506658226614, Liyang Branch, Bank of China. We did not use forward contract to lock in the foreign exchange rate. The accounting system will record the values into RMB using the exchange rate of the first day in the month published by People's Bank of China when the commercial invoice was issued.**

3. Are there any Australian 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.

**Response:**

**None.**

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

**Response:**

**None.**

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.

**Response:**

**No, most of our clients are trading companies.**

## PUBLIC RECORD

6. Did you provide on-invoice discounts and/or off-invoice rebates to any Australian customer or an associate of the customer in relation to the sale of the 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.

**Response:**

**No, there was no discount.**

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 during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

**Response:**

**No.**

8. The invoice date will normally be taken to be the date 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?

**Response:**

**Yes, the invoice date will be taken to be the date of sale.**

## B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales"

- This worksheet lists all export sales (i.e. transaction by transaction) to Australia of the goods invoiced within the period (1 January 2016 to 31 December 2016).
- Where a contract has been won during the investigation period but the goods are not yet shipped, provide details of these goods with any expenses incurred to date and the scheduled delivery date specified in the contract.
- If you have claimed in B-1.8 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 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.

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

2. Provide a table listing the source of the data for each column in the export sales listing (B-2.1).

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

### 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 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.*

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

2. For each document, please annotate the documents or provide a table reconciling the details in the export listing (in B-2) to the source documents (in B-3.1).

**Response:**

**Please see Exhibit 7-B3.2-Export documents.**

Number of purchase order:43849	
Page number	name of document
1	commercial invoice
2	packing list
3	bill of lading
4-5	purchase order
6-9	contract
10-13	payment

Number of purchase order:43956 & 44041	
Page number	name of document
1	commercial invoice
2	packing list
3	bill of lading
4-5	purchase order:44041
6-9	contract:44041
10-11	purchase order:43956
12-15	contract:43956
16-20	payment

### B-4 Reconciliation of sales to financial accounts

## PUBLIC RECORD

1. Please complete the worksheet named "B-4 Upwards sales" to demonstrate that the sales listing 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.

**Response:**

**Please see the worksheet and they are complete.**

2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5, B-2 and D-2, required to complete the "Upwards sales" worksheet. If the documents include spreadsheets, all formulas used must be retained.

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

3. For any amount in the "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 F of the worksheet; and
  - highlight or annotate the amount shown in the source document.

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

## **B-5 Reconciliation of direct selling expenses to financial accounts**

1. Please complete the worksheet named "B-5 Upwards selling expense" to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-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.

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5, B-2 and D-2, required to complete the "Upwards SG&A" worksheet. If the documents include spreadsheets, all formulas used must be retained.

**Response:**

**[confidential information]**

## PUBLIC RECORD

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

3. For any amount in the "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 F of the worksheet; and
  - highlight or annotate the amount shown in the source document.

**Response:**

**[confidential information]**

***This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.***

## SECTION C EXPORTED GOODS & LIKE GOODS

### 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.

**Response:**

**During the investigation period, Huapeng sold several sets of subject products.**

2. List each unique unit of goods exported to Australia (these types should cover all types listed in spreadsheet “B-2 Australian sales” – see section B of this questionnaire).

**Response:**

**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

### 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.

**Response: Mega volt amperes and voltage rating are the most important indexes.**

2. List each unique unit of power transformer sold on the domestic market during the investigation period.

**Response:**

**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

3. Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

**Response: Mega volt amperes and voltage rating are the most important indexes.**

## SECTION D DOMESTIC SALES

### D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:

- (a) Marketing and advertising activities
- (b) Price determination and/or negotiation process
- (c) Order placement process
- (d) Order fulfilment process and lead time
- (e) Delivery terms and process
- (f) Invoicing process
- (g) Payment terms and process

**Response:**

**As a long-time producer of power transformer, most domestic customer know Huapeng from internet or other sources.**

**In most cases, the customer will make an inquiry with product specification by email and Huapeng will response by providing an offer. After the agreement on price and other contract items, the client will issue a purchase order and Huapeng will arrange production. The producing period will last several months according to different type of products. After finishing product, Huapeng will arrange the delivery according to the order and make VAT invoice to the client. The payment usually will be made by four instalments.**

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.

**Response:**

**None.**

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

**Response:**

**None.**

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.

**Response:**

**No, the domestic customers are all end-users and the selling price is almost the same if the product is the same.**

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 importer to obtain the discount.

**Response:**

**There was almost no discount.**

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.

**Response:**

**None.**

7. The invoice date will normally be taken to be the date 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 reflects the material terms of sale?

**Response:**

Huapeng take the invoice date to be the 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 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.

**Response:**

[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

2. Provide a table listing the source of the data for each column in the domestic sales listing (D-2.1).

**Response:**

[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

## 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 and accounts receivable ledger
- Documents showing bank charges
- Delivery invoices

*If the documents are not in English, please provide a translation of the documents.*

**Response:**

[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

## PUBLIC RECORD

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

**Response:**

Invoice Number	01092298	01481786
1	VAT invoice-CN	VAT invoice-CN
2	VAT invoice-English translation	VAT invoice-English translation
3	Payment receipt-CN	Payment receipt-CN
4	Payment receipt- English translation	Payment receipt- English translation

### D-4 Reconciliation of sales to financial accounts

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

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listing in D-2 is 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.

**Response:**

[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

2. Please provide all documents (e.g. general ledgers, trial balances), other than those in A-5 and D-2, required to complete the “Upwards sales” worksheet. If the documents include spreadsheets, all formulas used must be retained.

**Response:**

[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

3. For any amount in the “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 F of the worksheet; and
  - highlight or annotate the amount shown in the source document.

**Response:**

[confidential information]

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company’s competitors with insights into the Company’s commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

**PUBLIC RECORD**

*posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

## SECTION E DUE ALLOWANCE

### E-1 Credit expense

1. Do you provide credit to any domestic customers in relation to sales of like goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:
  - (a) Do you provide a rolling credit facility to your domestic customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
    - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
    - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover
  - (b) Do you have short term borrowings or an overdraft facility? If yes, what is the interest rate, or average of interest rates?
  - (c) Do you have term deposits or other cash product (e.g. bonds)? If yes, what is the interest rate, or average of interest rates?

**Response: Not applicable.**

2. Do you provide credit to any Australian customers in relation to sales of the goods (i.e. payment terms that are not on a cash or pre-payment basis)? If yes:
  - (a) Do you provide a rolling credit facility to your Australian customers (i.e. no specific payment terms agreed at the time of sale)? If yes:
    - i. Calculate the accounts receivable turnover for each domestic customer (credit sales divided by the average accounts receivable).
    - ii. Calculate the average credit term for each domestic customer by dividing 365 by the accounts receivable turnover
  - (b) If your Australian customers pay you into a foreign currency denominated account (question B-1.2(a) refers):
    - i. 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?
    - ii. What is the interest rate, or average of interest rates, applying to term deposits or other cash product (e.g. bonds) denominated in the same foreign currency? If yes, what is the interest rate, or average of interest rates?

**Response: Not applicable.**

### E-2 Packaging

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

**Response: The packaging is wood box.**

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

**Response: The packaging is wood box.**

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

**Response: There is no distinct difference.**

### E-3 Delivery

## PUBLIC RECORD

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?

**Response: Yes, the goods will be delivered to the customers and transportation costs will be allocated on the basis of sales value.**

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

**Response: FOB.**

3. If the delivery terms of the Australian sales includes delivery to the port, how were the inland transport and port charges calculated in the Australian sales listing in B-2?

**Response: Yes, the goods will be delivered to the port and inland transportation costs will be allocated on the basis of sales value.**

4. 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?

**Response: No.**

5. 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?

**Response: No.**

6. 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?

**Response: No.**

### **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.

**Response: No.**

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?

**Response: There is no difference since the VAT refund for export was fully reimbursed.**

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

- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

**Response: No.**

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

- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

**Response: No.**

### **E-5 Other adjustment claims**

## PUBLIC RECORD

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.
  - An adjustment will only be made where there is evidence that the difference affects price comparability.
  - Refer to Chapter 14 of the Dumping and Subsidy Manual for more information.

**Response: Not applicable.**

## 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.

**Response:**

**Not applicable since the export processes to different countries are almost the same.**

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.

**Response:**

**Not applicable since there is no related customers.**

3. The invoice date will normally be taken to be the date 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 reflects the material terms of sale?

**Response:**

**Huapeng take the invoice date to be the date of sale.**

### F-2 Third country sales listing

1. Complete the worksheet named "F-2 Third country sales"

- This worksheet lists all export sales, summarised by country and customer, to third countries of like goods invoiced within the period.
- 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.

**Response:**

**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

2. Provide a table listing the source of the data for each column in the export sales listing (F-2.1).

**Response:**

**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

### 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.

**Response:**

**Not applicable since the export processes to different countries are almost the same.**

## 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.

**Response:**

**Please see Exhibit 11-G1.1-Production process of transformer.**

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.

**Response:**

**None.**

### G-2. Cost accounting practices

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

**Response:**

**The cost accounting system is based on actual costs.**

2. If you 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.

**Response:**

**The cost accounting system is based on actual costs.**

3. 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.

**Response:**

**There is only one cost centre.**

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

**Response:**

**Huapeng recorded production costs according to type of production.**

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

**Response: None.**

6. Has your company engaged in any start-up operations in relation to the goods? If yes:

- (a) Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
- (b) State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

**Response: None.**



## PUBLIC RECORD

7. What is the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out –LIFO, first in first out- FIFO, weighted average)?

**Response: The method of valuation for material and finished goods are weighted average(monthly).**

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

**Response: The damaged goods will be sold on market and recorded in the account of “other business income”.**

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

**Response: There was no by product. The scrap will be sold on market and recorded in the account of “other business income”.**

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

**Response: None.**

### G-3 Cost to make and sell on domestic market

- Complete the worksheet named "G-3 Domestic CTMS".
  - Please provide the actual cost to make and sell each model/type (as identified in section C) of the like goods sold on the domestic market. Provide this cost data for each unique unit of the goods invoiced during the investigation period.
  - Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.
  - 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.

**Response:**

**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

- Provide a table listing the source of the data for each column of the “Domestic CTMS” listing (G-3.1).

**Response:**

**[confidential information]**

*This is highly sensitive commercial information, which cannot be provided in the non-confidential summary. Disclosure of such confidential information could provide the Company's competitors with insights into the Company's commercial strategy, thereby posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

### G-4 Selling, General & Administration expenses

- Complete the worksheet named "G-4.1 SG&A listing".

## PUBLIC RECORD

- This worksheet lists all selling, general and administration expenses by account code for the most recent accounting period and 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.

**Response:**

**[confidential information]**

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2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".

- This worksheet calculates SG&A as a percentage of revenue.
- You must provide this list in electronic format using the template provided.
- Please use the formulas provided.

**Response:**

**[confidential information]**

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## G-5 Cost to make and sell the goods exported to Australia

1. Complete the worksheet named "Australian CTMS".

- Please provide the actual cost to make and sell each model/type (as identified in section C) exported to Australia.
- Provide this information for all goods invoiced during the investigation period and for all goods the subject of a contract that was entered into during the investigation period, but invoiced or delivered outside of the investigation period. Where actual costs are not yet incurred, provide an estimate of these costs, such as for example, the estimate of the costs that formed the basis of your winning tender bid.
- Provide this information for each unique unit of the goods contracted for sale or invoiced during the period of the investigation. For example, if one contract specifies production of two different types of the goods, provide this information for each type of the goods.
- 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 duration 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.

**Response:**

**[confidential information]**

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*posing a serious threat to the commercial interests of the company. This information has been provided to the Authority in the confidential response.*

2. Provide a table listing the source of the data for each column of the "Australian CTMS" listing (G-5.1).

**Response:**

**[confidential information]**

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## G-6 Cost allocation methodology

1. What is the allocation methodology used to complete in G-3 Domestic CTMS and G-5 Australian CTMs for:

- (a) Raw materials
- (b) Labour
- (c) Manufacturing overheads

**Response: The raw materials, labour and manufacturing overhead were allocated by type of finished product since each finished product has a coefficient of cost allocation.**

2. Select the domestic model (export model if you have no domestic production of like goods) with the largest production cost over the period and provide worksheets demonstrating the allocation methodology described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1.

**Response: The raw materials, labour and manufacturing overhead were allocated by type of finished product since each finished product has a coefficient of cost allocation.**

## G-7 Major raw material costs

1. What the major raw materials used in the manufacture of the goods? List the raw materials (or components) and suppliers in the worksheet named G-7.1.

**Response:**

**[confidential information]**

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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, provide details of these in worksheet G-7.2.

**Response: None.**

3. Using the domestic cost data in G-3, calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

**Response:**

4. For each raw material identified in G-7.1 which individually account for 10% or more of the total cost to make, complete the worksheet named "G-7.4 Raw material purchases".

## PUBLIC RECORD

- 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.

**Response:**

**[confidential information]**

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5. Provide a table listing the source of the data for each column of the "Raw material purchases" listing (G-7.4).

**Response:**

**[confidential information]**

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6. For each raw material:

- (a) Select the two largest invoices by value and provide the commercial invoice and proof of payment.
- (b) Reconcile the total value listed of the purchases in G-7.4 to relevant purchase ledgers or trial balances in your accounting system. Provide copies of all documents used to demonstrate the reconciliation.

**Response:**

**[confidential information]**

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7. Are any of the suppliers listed in G-7.4 related to your company? If yes, please provide details on how the price is set.

**Response: None.**

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

1. Please complete the worksheet named "Upwards costs".

- 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.

**Response:**

**[confidential information]**

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## PUBLIC RECORD

2. Please provide any documents, other than those in A-5, G-3 and G-5, required to complete the "Upwards costs" worksheet.

**Response:**

**[confidential information]**

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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 F of the worksheet; and
- highlight or annotate the amount shown in the source document.

**Response:**

**[confidential information]**

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## G-9 Capacity Utilisation

1. Please complete the worksheet named "Capacity Utilisation".
  - You must provide this list in electronic format using the template provided.
  - If you have used formulas to complete this worksheet, these formulas must be retained.

**Response:**

**[confidential information]**

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