



Australian Government
Department of Industry, Science,
Energy and Resources

Anti-Dumping
Commission

Supplementary Exporter Questionnaire

Case number: 543

Product: Aluminium extrusions

From: The People's Republic of China

Investigation period: 1 January 2019 to 31 December 2019

调查期: 2019年1月1日-2019年12月31日

Response due by: Open of business Monday 11 May 2020

应诉截止日期: 2020年5月11日

Return completed questionnaire to:
investigations4@adcommission.gov.au

Anti-Dumping Commission website: 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 a continuation inquiry into aluminium extrusions exported to Australia from the People's Republic of China (China).

The Commission will use the additional information requested in this supplementary questionnaire to determine normal values and export prices over the inquiry period (the period). This information will determine whether aluminium extrusions are dumped. The Commission will also use this information to determine whether aluminium extrusions have been in receipt of countervailable subsidies over the period.

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 and a subsidy margin having regard to all relevant information.

Therefore, it is in your interest to provide a complete and accurate response to this exporter questionnaire, capable of verification.

Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the Commission, in writing, for an extension to the due date for all or part of the questionnaire. This request must be made prior to the due date. A request for extension will be rejected if received after the due date.

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

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

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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 (dumping) and or non-cooperative exporter (countervailing).

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].

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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.

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-4.6)
- The data must be created as spreadsheet files in Microsoft Excel.
- If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.
- You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the Commission’s verification of your data
- If you cannot present electronic data in the requested format contact the 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 Commission to request access to SIGBOX if required.

CHECKLIST

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

Section	Please tick if you have responded to all questions 有回复的请打勾
Section A Chinese market 中国市场	<input checked="" type="checkbox"/>

A-3 Relationship between price and cost



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

In responding to question 1 please provide evidence supporting calculations.

Domestic sales is our main source of revenue. Domestic sales account for more than 88% of our total sales in 2019. Attached the financial statements of the listed company of our company for your reference.

All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May

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

Not. The annual aluminum production in China is tens of millions tons, but the production and sales volume of our company only accounts for a small part of it, which has little impact on the market. Large manufacturers such as Guangdong Xingfa and FengLv Aluminium produce and sell hundreds of thousands of tons each year. In addition, we disagree with the description of price leadership. China's market volume is huge, and it is also a free market economy with fierce competition. No manufacturer can influence the price at will. Consumer is not a fool. In the market economy, if the price is separated from the actual value of the product, consumer can use other similar substitutes such as plastic, steel, etc. with good quality and low price.

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

Our product price positioning in China is basically cost plus pricing. The extruded aluminum products we produce have the nature of processing industry, which is to purchase raw

materials (aluminum ingots or different aluminum alloys) , and to process according to different product process requirements, and charge reasonable profits to form the final price. Our product pricing system can be described as follows: Product price = market price of aluminum ingot on the ordering date + processing cost of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc.) (reasonable profit has been included) + freight (most of the customers will pick up the goods from our warehouse, in this case, freight is not required; a few customers need our company to arrange transportation matters on behalf of them, then our company will charge them relevant freight) We enclose the domestic sales contract to prove the pricing of our products.

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

The general process is as follows: customer places an order → our company makes a quotation (according to the market price of aluminum ingot on the date of the customer's order + processing fees of different types of products (such as mill finish, anodized profiles, powder coating profiles, etc.) (reasonable profits have been included)) → customer accepts and signs the contract → our company produces, collects and delivers goods according to the contract. We attach the domestic sales contract to prove our sales price process.

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

As described before, the extruded aluminum profile produced by our company have the nature of processing industry. Our quotation is based on the market aluminum ingot price. If there is no big change (which is rare), the processing fee of our company is generally fixed, but the price of aluminum ingots in the Chinese market may change every day, or maintain the same level all week. Aluminum content accounts for more than 80% of the aluminum profiles, so the price of aluminum ingot in China market is the main influencing factor. Domestic sales related personnel: Wenqiang Huang , manager of the business department of our company. He speak Chinese only.

6. Rank the following factors in terms of their influence on your pricing decisions in the Chinese market, with the most important factor ranked first and the least important factor ranked last:
- Competitors' prices
 - Purchase price of raw materials

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

: In our opinion, the order of importance is as follows:

Purchase price of raw materials

Cost to make and sell the goods

Desired profit

Volume of the order

Value of the order

Competitors' prices

Level of inventory

Customer relationship management

Supplier relationship management

Volume of forward orders

Value of forward orders

Brand attributes

Other [please define what this factor is in your response]

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

Firstly, no manufacturer will do business at a loss, so the selling price must be higher than the cost and have a certain profit. In addition, China's market is huge and fierce in competition. Sometimes it is difficult to maintain an ideal profit margin. If the purchase quantity is large, the profit margin can be slightly lower, so as to maintain sufficient profits. We think it's a reasonable way to do business.

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

As described before, our company decides whether to give preferential treatment according to the specific sales situation. We distinguish key customers and general customers according to the company's actual sales situation. For our company's comprehensive strategic partners and major customers, we must give them preferential policies and lower prices, because their purchase quantity is large and their absolute profits are high. Compared with customers with small

purchase quantity, customers with large purchase quantity have more products, which leads to lower production energy consumption and higher production efficiency per ton. Therefore, the direct production cost, sales and management cost are also low, and the final cost will be lower, so even if we sell at a lower price, we can maintain a reasonable profit. For customers with big brands, high market share and good reputation, we should also give them preferential payment, because cooperation with them will also improve our brand competitiveness. All of these are the characteristics of the market economy. It's the same all over the world. In a word, the sales price of our company must be higher than the production cost. For our company, we will not do business at a loss.

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

Our company does not implement bundling pricing. You can check our financial report. There is no bundling of other products.

All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May.

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

Please see the response to Question 8.

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

- (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.

Yes. As a listed company, all sales of our company have signed contracts.

There is no exclusive contract in our contract.

Generally speaking, the sales contract of our company is signed according to each batch of customers' orders, and the price is determined according to the raw material aluminum ingot on the ordering date specified in the contract, plus the processing fee of different types of products. For more significant customers, sometimes the annual framework contract will be signed directly, and then the sales price will be determined according to the actual demand of each order.

When the customer has an order demand, they will contact our sales personnel. This raw material is used in the domestic market: the spot price of Nanhai aluminum ingot in China or the spot price of Changjiang aluminum ingot. You can find the price (RMB) on this website: <https://market.cnal.com/> Both parties shall evaluate the contract in advance according to the market price of raw materials (aluminum ingots) and the processing fee of different types of products (our company reflects the product cost and reasonable profit on the processing fee), so as to determine the price. When the contract is determined according to the market price, the customer will arrange the deposit, and our company will purchase the raw materials according to the market price in time, so as to ensure the enforceability of the contract and the rights and interests of both sales parties. After the contract is confirmed and executed, it will not be affected by the market price of raw materials.

Please check the translation of the sales contract.

Generally speaking, the sales contract of our company is determined by each order, so the sales volume is not very high.

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

。 Please see the attachment.

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

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

For our company, different products are determined according to the production cost, and the production cost is determined by different categories of products (mill finish, anodized profiles, electrophoresis, powder coating, PVDF, heat insulated profiles). Different categories of products have different production processes and different production costs, they are distinguished.

As said before, our pricing formula is: product price = market price of aluminum ingot on the ordering date + processing fee of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc.) (production cost and reasonable profit have been included) + freight (if any).

Therefore, different kinds of products are reflected in different sales prices.

You can refer to the data of production cost in China in Excel table.

14. Do you tier or segment your Chinese customers for the goods in terms of pricing? If yes, provide:

- (a) a general description of how this is done;
- (b) list the factors that influence pricing differentiation in different tiers or segments; and
- (c) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

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

This has been explained in detail in Question 8. We distinguish key customers and general customers according to our company's actual sales situation.

We also provide guidance quotation list for major customers and guidance quotation list for general customers.

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

。 Basically not at present. As a private enterprise, we sell to main companies with market economy. Our sales are all market prices, without considering other factors.

A-4 Marketing and sales support in the Chinese market

1. How does your company market the goods in the Chinese market? Include in your response the value proposition

used (e.g., competitive price, superior quality, reliability, availability, etc.).

Since the establishment of our factory, our consistent tenet and slogan is: "quality for survival, reputation for development". Our company strictly adopts international pure aluminum, produces good quality products in accordance with national standards and relevant environmental protection requirements, conforms to the market price, and also maintains reasonable profits to maintain the survival and development of the company. Our products conform to China CNAs certification, which shows the reliability of our products.

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

Our products we sold in the Chinese market all use "Minfa" brand.

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

4.

Our company has few advertisements in China, mainly placing billboards at high-speed intersections. In addition, some product brochures and clothes with company logo are given to channel dealers, and major customers and channel dealers are invited to attend the annual meeting of the company. All of these belong to the normal advertising activities, and the advertising expenses are relatively small.

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

Our sales in China are divided into two categories: one is the cooperative channel distributors or major customers, and the other is the direct sales team. The direct sales team has about 80 people, most of them are in Fujian Province, and a few are in Zhejiang, Jiangxi, Shaanxi and other provinces. Generally speaking, for cooperative channel distributors or major customers, our company directly gives certain preferential policies on the sales unit price; For direct sales personnel, the salary method is: a small amount of base salary + sales commission. The performance indicator of sales commission is to give the agreed sales commission according to the profits generated by their sales.

<p>We enclose the year-end income statement of the sales staff for reference.</p> <p>6. Describe what parameters are provided to sales staff to assist in establishing pricing for the goods when negotiating sales with customers. Provide copies of internal documents which support your claims in response to this question.</p> <p>As described before, our pricing formula is: product price = market price of aluminum ingot on the ordering date + processing fee of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc) (including production cost and reasonable profit already) + freight (if any). The raw material parameters are as follows: This raw material is used in the domestic market: the spot price of Nanhai aluminum ingot in China or the spot price of Changjiang aluminum ingot. You can find the price (RMB) on this website: https://market.cnal.com/</p> <p>About processing fee: our company has the guidance quotation list of major customers and the guidance quotation list of general customers for the reference of sales personnel.</p> <p>Section B Production AND Production Costs 生产及生产成本</p>	
<p>Section C Australian Market 澳大利亚市场</p>	<input checked="" type="checkbox"/>
<p>Exporter's declaration 出口商声明</p>	<input checked="" type="checkbox"/>
<p>Non-confidential version of this response 公开版本的问卷</p>	<input checked="" type="checkbox"/>

SECTION A+--- G1 CHINESE MARKET

A-1 Prevailing conditions of competition in the Chinese market

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

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

We believe that China has a large population, a vast territory, with a wide range of residential and other building needs. The main feature of the Chinese market over the past five years has remained the huge demand for aluminum profiles for construction, which are dominated by real estate demand, so this situation will continue for a long time to come. but

With the further improvement of people's living standard, they have gradually realized the excellent characteristics of aluminum profiles: light weight, high electrical conductivity, high thermal conductivity, plasticity (easy to stretch, easy to extend), corrosion resistance, especially in the field of energy conservation and environmental protection to reflect its unique value. In the future, there will be further demand for home appliances, automobile transportation products, photovoltaic products, new energy and other industrial.

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

The main demand sources of our company are engineering users and distributors based on real estate, as well as industrial customers of household appliances and photovoltaic energy. We enclose the relevant financial data.

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

We enclose the relevant financial data.

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

There are seasonal fluctuations that influence consumption/demand (e.g., the traditional Chinese New Year), please check the relevant financial statements. For example, in the first quarter of 2020, due to the epidemic situation, the government had to carry out the control, resulting in a decrease in economic activity and sales.

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

Our products are influenced by the sales radius. From the financial statements, we can see the sales proportion of our province and the sales proportion of different product categories.

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

We enclose the relevant financial data.

- (g) Describe the way in which Chinese and imported goods compete in the Chinese market;

We don't think there is much difference. Both domestic products and imported products are produced in the same workshop with the same production process and standard.

- (h) Describe the ways that the goods are marketed and distributed in the Chinese market; and Our products in Chinese market are using direct sales and distributors (channel sales) two ways, we have given a certain price concessions to the important customer which have a large quantity in purchasing. For small, irregular customers, no price concessions given.

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

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

All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May.

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

Please see attachment the diagram.

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

Manufacturer: FUJIAN MINFA

: aluminum ingot purchaser

: powder supplier

EOM: Extrusion machine

Distributor (entrant) : there are different distributors in different areas.

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

“Not Applicable”

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

We believe that Chinese market is a market-oriented economy and the purpose of regulation is to ensure that enterprises do not violate the law. We believe that these regulations are necessary.

Regarding taxation, the current Chinese market is unified with a value-added tax of 13%;

Product standards: the national standards used by our company are as follows:

Building aluminum profiles: GB/T5237-2017 《Aluminium Alloy Extruded Profiles for Architecture Part 》

Industrial aluminum profile: GBT 6892-2015 《Wrought aluminium and anuminium alloys extruded profiles for general engineering》 and GB-T 14846-2014 Tolerances on dimensions and form of aluminium and aluminium alloy extruded profiles》 ,

These national standards are equivalent to the same level in the United States, Japan and the European Union of the aluminum industry.

Environmental protection standard: our company strictly follows the national environmental protection standard;

Accounting standards: accounting standards for enterprises uniformly stipulated by the state

6. Describe any entry restrictions for new participants into the Chinese market for the goods. Your response could include information on:

- resource ownership;
- patents and copyrights;
- licenses;
- barriers to entry;
- import restrictions; and
- government regulations(including the effect of those government regulations).

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

To enter Chinese market, both Chinese and foreign companies must comply with relevant national laws and regulations on environmental protection. According to our understanding, foreign enterprises in the aluminum industry should have no entry barriers to enter China. Of course, our company, as an ordinary manufacturing enterprise, is not very familiar with this. We suggest that you can directly consult with relevant departments in China.

A-2 Goods in the Chinese market

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

As mentioned above,we believe that China has a large population, a vast territory, with a wide range of residential and other building needs.The main feature of the Chinese market over the past five years has remained the huge demand for aluminum profiles for construction, so this situation will continue to exist for a long time.。 We believe that the quality of the product, the price differences are determined by the nature of the product itself.

Different customers have different quality requirements; Different products are easy to produce or difficult to make, which all lead to different production costs, resulting in price differences

<https://market.cnal.com/>, GB/T5237-2017 《Aluminium Alloy Extruded Profiles for Architecture Part》; GBT 6892-2015 《Wrought aluminium and aluminium alloys extruded profiles for general engineering》 and GB-T 14846-2014 Tolerances on dimensions and form of aluminium and aluminium alloy extruded profiles

Technical support difference: the difference is not big, it is the same raw material (China Nanhai aluminum spot or Yangtze river aluminum spot, , you can refer the price (RMB) through this website: <https://market.cnal.com/>).

According to the product category, Aluminium profile for construction purposes, we adopted the national standard GB/T5237-2017 "Aluminium Alloy Extruded Profiles for Architecture Part"; National standards for industrial materials: GBT 6892-2015 "Wrought aluminium and aluminum alloys extruded profiles for general engineering" and GB 14846-2014 - Tolerances on dimensions and form of aluminum and aluminum alloy extruded profiles. These national standards are equivalent to the same level in the United States, Japan and the European Union of the aluminum industry.

Difference of the prevalence of private labels/customer brands, the prevalence of generic or plain labels & the prevalence of generic or plain labels white the prevalence of private labels/customer brands,

High-end products have higher requirements on surface quality, packaging and technology (for example, under the same national standard, customers should adopt higher film thickness), resulting in high production cost and high price.

Similarly, for the prevalence of private labels/customer brands, if the volume of sales is not large enough to be spread among the various management and selling costs, the production cost will be high, and therefore the price will be high.

Product subdivision: according to the production process is divided into mill finished, oxidized material, electrophoresis, powder coating, fluorocarbon, thermal insulation, etc. Different product categories have different production costs and therefore price different.

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

End uses: building material & industrial material

Building materials: basically used for building purposes, such as doors and Windows, curtain walls, aluminum furniture products;

Industrial materials: used for different purposes in Industrial, ie, the accessories of Appliance, Car transportation, PV frame and other new energy products.

3. Describe the key product attributes that influence purchasing decisions or purchaser preferences in the Chinese market. Rank these preferences or purchasing influencers in order of importance. We don't think there has a good description. There is an old saying in China: make the most of everything. Consumers buy products according to their different consumption expectations, and different consumers have different consumption expectations, so it is difficult to have a unified standard. If you have to summarize the key product attributes, it is: cheap and good. For Consumers all over the world.

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

There are different alternatives for different purposes. For example, in the field of construction, the replacement of aluminum doors and Windows is plastic steel doors and Windows products; From the industrial use field, in the automotive new energy field, the replacement of aluminum products is steel products; In the field of photovoltaic scaffolds, the substitute of aluminum products is plastic scaffolds. In the formwork area, the alternative to aluminum products is steel products, and so on.

In addition, Chinese consumers pay more attention to quality and low prices. If the product can meet their consumption expectations, consumers will not care much about the brand of the product. Of course, some famous brands will be the first choice of consumers.

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

There are different complements for different purposes. For example, in the field of architecture, aluminum profiles and hardware accessories, glass are complement goods; In the field of industrial use, in the field of automotive new energy, aluminum and car battery are complementary products; In the field of photovoltaic scaffolds, aluminum and solar panels are complementary goods, and so on.

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

We think it has changed a little, but not much. At present, there is still a large demand for aluminum extrusions for real estate construction, so this situation will continue to exist for a long time. However, with the improvement of living standards, the Chinese market has a further demand for household appliances, automobile transportation products, photovoltaic products and new energy. For example, with the increasing awareness of environmental protection, people are encouraged to adopt more electric energy vehicles and use less fuel vehicles, which will lead to the further increase of the demand for aluminum extrusions in the automobile market, and so on.

A-3 Relationship between price and cost

16. Describe the importance of the Chinese market to your company's operations. In your response describe:

- (c) The proportion of your company's sales revenue derived from sales of the goods in China; and
- (d) The proportion of your company's profit derived from sales of the goods in China.

In responding to question 1 please provide evidence supporting calculations.

Domestic sales is our main source of revenue. Domestic sales account for more than 88% of our total sales in 2019. Attached the financial statements of the listed company of our company for your reference.

All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May.

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

Not. The annual aluminum production in China is tens of millions tons, but the production and sales volume of our company only accounts for a small part of it, which has little impact on the market. Large manufacturers such as Guangdong Xingfa and FengLv Aluminium produce and sell hundreds

of thousands of tons each year. In addition, we disagree with the description of price leadership. China's market volume is huge, and it is also a free market economy with fierce competition. No manufacturer can influence the price at will. Consumer is not a fool. In the market economy, if the price is separated from the actual value of the product, consumer can use other similar substitutes such as plastic, steel, etc. with good quality and low price.

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

Our product price positioning in China is basically cost plus pricing. The extruded aluminum products we produce have the nature of processing industry, which is to purchase raw materials (aluminum ingots or different aluminum alloys), and to process according to different product process requirements, and charge reasonable profits to form the final price. Our product pricing system can be described as follows:

Product price = market price of aluminum ingot on the ordering date + processing cost of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc.) (reasonable profit has been included) + freight (most of the customers will pick up the goods from our warehouse, in this case, freight is not required; a few customers need our company to arrange transportation matters on behalf of them, then our company will charge them relevant freight)

We enclose the domestic sales contract to prove the pricing of our products.

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

The general process is as follows: customer places an order → our company makes a quotation (according to the market price of aluminum ingot on the date of the customer's order + processing fees of different types of products (such as mill finish, anodized profiles, powder coating profiles, etc.) (reasonable profits have been included)) → customer accepts and signs the contract → our company produces, collects and delivers goods according to the contract.

We attach the domestic sales contract to prove our sales price process.

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

As described before, the extruded aluminum profile produced by our company have the nature of processing industry. Our quotation is based on the market aluminum ingot price. If there is no big change (which is rare), the processing fee of our company is generally fixed, but the price of aluminum ingots in the Chinese market may change every day, or maintain the same level all week. Aluminum content accounts for more than 80% of the aluminum profiles, so the price of aluminum ingot in China market is the main influencing factor.

Domestic sales related personnel: Wenqiang Huang, manager of the business department of our company. He speak Chinese only.

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

- Competitors' prices
- Purchase price of raw materials
- Cost to make and sell the goods
- Level of inventory

- Value of the order
- Volume of the order
- Value of forward orders
- Volume of forward orders
- Customer relationship management
- Supplier relationship management
- Desired profit
- Brand attributes
- Other [please define what this factor is in your response]

: In our opinion, the order of importance is as follows:

Purchase price of raw materials

Cost to make and sell the goods

Desired profit

Volume of the order

Value of the order

Competitors' prices

Level of inventory

Customer relationship management

Supplier relationship management

Volume of forward orders

Value of forward orders

Brand attributes

Other [please define what this factor is in your response]

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

Firstly, no manufacturer will do business at a loss, so the selling price must be higher than the cost and have a certain profit. In addition, China's market is huge and fierce in competition. Sometimes it is difficult to maintain an ideal profit margin. If the purchase quantity is large, the profit margin can be slightly lower, so as to maintain sufficient profits. We think it's a reasonable way to do business.

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

As described before, our company decides whether to give preferential treatment according to the specific sales situation. We distinguish key customers and general customers according to the company's actual sales situation. For our company's comprehensive strategic partners and major customers, we must give them preferential policies and lower prices, because their purchase quantity is large and their absolute profits are high. Compared with customers with small purchase quantity, customers with large purchase quantity have more products, which leads to lower production energy consumption and higher production efficiency per ton. Therefore, the direct production cost, sales and management cost are also low, and the final cost will be lower, so even if we sell at a lower price, we can maintain a reasonable profit.

For customers with big brands, high market share and good reputation, we should also give them preferential payment, because cooperation with them will also improve our brand competitiveness. All of these are the characteristics of the market economy. It's the same all over the world.

In a word, the sales price of our company must be higher than the production cost. For our company, we will not do business at a loss.

24. Do you offer bundled pricing in the Chinese market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these

bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.

Our company does not implement bundling pricing. You can check our financial report. There is no bundling of other products.

All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May.

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

Please see the response to Question 8.

26. Does your organisation/business entity use sales contracts in the Chinese market? If yes:

- (h) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
- (i) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
- (j) How frequently are sales contracts renegotiated?
- (k) How frequently are price reviews conducted between contracts?
- (l) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
- (m) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
- (n) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.

Yes. As a listed company, all sales of our company have signed contracts.

There is no exclusive contract in our contract.

Generally speaking, the sales contract of our company is signed according to each batch of customers' orders, and the price is determined according to the raw material aluminum ingot on the ordering date specified in the contract, plus the processing fee of different types of products. For more significant customers, sometimes the annual framework contract will be signed directly, and then the sales price will be determined according to the actual demand of each order.

When the customer has an order demand, they will contact our sales personnel. This raw material is used in the domestic market: the spot price of Nanhai aluminum ingot in China or the spot price of Changjiang aluminum ingot. You can find the price (RMB) on this website: <https://market.cnal.com/> Both parties shall evaluate the contract in advance according to the market price of raw materials (aluminum ingots) and the processing fee of different types of products (our company reflects the product cost and reasonable profit on the processing fee), so as to determine the price. When the contract is determined according to the market price, the customer will arrange the deposit, and our company will purchase the raw materials according to the market price in time, so as to ensure the enforceability of the contract and the rights and interests of both sales parties. After the contract is confirmed and executed, it will not be affected by the market price of raw materials.

Please check the translation of the sales contract. Generally speaking, the sales contract of our company is determined by each order, so the sales volume is not very high.

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

Please see the attachment.

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

For our company, different products are determined according to the production cost, and the production cost is determined by different categories of products (mill finish, anodized profiles, electrophoresis, powder coating, PVDF, heat insulated profiles). Different categories of products have different production processes and different production costs, they are distinguished.

As said before, our pricing formula is: product price = market price of aluminum ingot on the ordering date + processing fee of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc.) (production cost and reasonable profit have been included) + freight (if any). Therefore, different kinds of products are reflected in different sales prices.

You can refer to the data of production cost in China in Excel table.

29. Do you tier or segment your Chinese customers for the goods in terms of pricing? If yes, provide:

- (d) a general description of how this is done;
- (e) list the factors that influence pricing differentiation in different tiers or segments; and
- (f) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

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

This has been explained in detail in Question 8. We distinguish key customers and general customers according to our company's actual sales situation.

We also provide guidance quotation list for major customers and guidance quotation list for general customers.

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

。 Basically not at present. As a private enterprise, we sell to main companies with market economy. Our sales are all market prices, without considering other factors.

A-4 Marketing and sales support in the Chinese market

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

Since the establishment of our factory, our consistent tenet and slogan is: "quality for survival, reputation for development". Our company strictly adopts international pure aluminum, produces good quality products in accordance with national standards and relevant environmental protection requirements, conforms to the market price, and also maintains reasonable profits to maintain the survival and development of the company. Our products conform to China CNAs certification, which shows the reliability of our products.

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

Ther products we sold in the Chinese market all use "Minfa" brand.

9. Provide examples of your Chinese advertising of the goods over the past five years. If you have not used advertising in China, provide examples of any other promotion campaigns for the goods you have conducted over the investigation period.

10.

Our company has few advertisements in China, mainly placing billboards at high-speed intersections. In addition, some product brochures and clothes with company logo are given to channel dealers, and major customers and channel dealers are invited to attend the annual meeting of the company. All of these belong to the normal advertising activities, and the advertising expenses are relatively small.

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

Our sales in China are divided into two categories: one is the cooperative channel distributors or major customers, and the other is the direct sales team. The direct sales team has about 80 people, most of them are in Fujian Province, and a few are in Zhejiang, Jiangxi, Shaanxi and other provinces. Generally speaking, for cooperative channel distributors or major customers, our company directly gives certain preferential policies on the sales unit price;

For direct sales personnel, the salary method is: a small amount of base salary + sales commission. The performance indicator of sales commission is to give the agreed sales commission according to the profits generated by their sales.

We enclose the year-end income statement of the sales staff for reference.

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

As described before, our pricing formula is: product price = market price of aluminum ingot on the ordering date + processing fee of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc) (including production cost and reasonable profit already) + freight (if any). The raw material parameters are as follows: This raw material is used in the domestic market: the spot price of Nanhai aluminum ingot in China or the spot price of Changjiang aluminum ingot. You can find the price (RMB) on this website: <https://market.cnal.com/>

About processing fee: our company has the guidance quotation list of major customers and the guidance quotation list of general customers for the reference of sales personnel.

SECTION B PRODUCTION AND PRODUCTION COSTS

B-1 Production of the goods

1. Describe how your company determines its volume of production for the goods, product mix of production and the factors that contribute to these decisions. How frequently are production volumes determined for the goods? How frequently is the product mix determined for the goods? Provide copies of internal documents which support your claims in response to this question.

2.

Generally speaking, we produce according to the market and customer demand and keep reasonable inventory. After the sales personnel of our company receive the customer's order, the sales department will timely feed back to the company's purchasing department, purchase raw materials according to the contract demand, and prepare all kinds of production auxiliary materials for production and sales accordingly. As a manufacturer of more than 20 years, we have rich experience in this field. In general, prepare once a month or two in advance, and in special cases (such as large fluctuations in production materials), prepare once a week.

We enclose our purchase records of raw materials (aluminum ingots or aluminum alloy rods) for your reference. You can also find from our financial statements that a reasonable ratio is maintained between production, sales and inventory.

What lead times are typically needed to adjust volumes of production for the goods? Provide copies of internal documents which support your claims in response to this question.

As mentioned, we produce according to the market and customer demand and keep reasonable inventory. According to different product category, product model and product quantity, the required production time varies from 1 to 6 weeks.

3. Do you have warehousing facilities for the goods? If no, what do you do with excess inventory? If yes:

- (a) What is the volume capacity of these facilities?
- (b) What was the monthly amount of inventory maintained during the investigation period?
- (c) What is the average period of time that inventory is retained (describe how this is calculated)?

We have warehousing facilities for the goods. The capacity of these measures can reach up to 9000 tons, which is less than the production quantity of our company in one month.

During the survey period, the average monthly inventory is about 5000 tons, which is our normal inventory level.

The storage time of the inventory is about 1-7 months. From January to May, most of the products are in reasonable inventory (some products are put into the warehouse after the completion of production, and some products are not finished yet. Only after the production of these products, can they be combined into a complete order and sent to customers;

Some complete orders have been finished, but customers have to wait for 1-2 months to pick up the goods due to their own reasons.

Some of them are reasonable standing stock of our company, which can be put into the warehouse first and sold directly in the peak production season so as to saving production time. Others are reasonable spare parts inventory.

Very little is unsold among the 1-7 months inventory.

Your company can check our company's financial statements, which reflect the inventory quantity.

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

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All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May.

4. Have there been any changes to the type of capital or technology utilised by your company in the manufacturing of the goods in the last five years? If yes, provide details.

Technology utilised has not changed much, capital type has changed slightly, but not much. You can refer to our financial statements from 2017 to 2019.

5. For each plant capable of producing inputs that could be utilised to make the goods, provide the date that production facility came into operation and the production capacity of the plant over the past five years. The production capacity should be based on an actual production capacity, not a budgeted production capacity. Provide copies of internal documents which support your claims in response to this question.

The actual production capacity of our company from 2015 to 2019 is as follows:

Please view the corresponding financial statements.

6. List any significant investments in the past five years to either upgrade, refurbish or build any of the plants used in the production of the goods.

7.

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

Please view the corresponding financial statements.

8. Confirm whether management reports are prepared on production costs. If yes:

- (a) specify how often these cost reports are prepared;
- (b) describe the level of detail in those reports and whether they enable the establishment of costs of producing the goods; and
- (c) specify to whom within the company these reports are provided; and
- (d) provide copies of these reports for each month of the investigation period.

No special production cost management report has been prepared, but it is reflected in the financial statements.

SECTION C AUSTRALIAN MARKET

C-1 Prevailing conditions of competition in the Australian market

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

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

Our company has very few sales in the Australian market. We mainly produce and sell products according to customers' needs, which are all direct sales. We have no channel sales (distributors) or agents in Australia.

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

Our company is produced according to the customer's drawings. Currently, the products sold to Australia are Anodized material, used for industrial. The customer is responsible for customs clearance and sales and other follow-up matters. Our company has not directly sold them to Australian end customers (end-users).

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

We have shown our sales revenue in Australia in the EXCEL form forwarded before, which only accounts for a very small proportion. Our Australia sales in 2019 was 375tonne, the sale revenue was CNY6,871,548.11. Accounting for 0.47% of the total sales.

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

The products we sell are produced according to the customer's drawings and the quantity is not large, but we do not sell them to the Australian terminal customers. Our quotation is FOB and we are not responsible for customs clearance and other subsequent matters. Therefore, we are not very sensitive to the changing factors of demand in the Australian market (such as seasonal fluctuations). In addition, the products sold by our company belong to the common level of products, and the demand for the existing technology is not high.

We believe that the Australian government, such as tariffs, will affect the market price of products, thus affecting the demand.

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

At present, our company only has one customer in Australia, and our quotation is based on FOB price. Meanwhile, our company has no channel sales (distributors) or agents in Australia, and does not directly sell to Australian end customers (end-users), so it is not sensitive to geographical factors.

The products our company sells to Australia are for industrial used, Anodized products. Technically, they are ordinary products with low demand for existing technologies.

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

At present, our company only has one customer in Australia, which is reflected in the EXCEL sheet, and the proportion is very small. Our Australia sales in 2019 was 375tonne, the sale revenue was CNY6,871,548.11, Accounting for 0.47% of the total sales.

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

Our company is not very clear about this.

As mentioned above, our company only has one customer in Australia at present, and our quotation is based on FOB. At the same time, our company has no channel sales (distributors) or agents in Australia, and does not directly sell to Australian end customers (end-users). Therefore, we do not know the final price difference of products made in Australia or other countries and Chinese products in the Australian market.

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

As mentioned above, our company only has one customer in Australia at present. Our company offers FOB price. We evaluate and quote the contract according to the customer's order, and the customer is responsible for the subsequent customs clearance. At the same time, we have no channel sales (distributors) or agents in Australia, no direct sales to Australian end customers (end-users), and no direct entry into the Australian market.

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

At present, the products sold in Australia belong to the general products of Anodized, for industrial used. Our company is based on the customer's drawings for production, the products produced are not complete and cannot be used directly, but only the component of the finished products, it is semi-finished products. According to the drawing, We thought it is a part of the photovoltaic bracket.

You can refer to the product drawing if you need.

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

All the further documentary evidence (Financial data) is to follow to support our response and to be forwarded by 18 May.

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

As mentioned above, our company only has one customer in Australia at present. Our company offers FOB price. We evaluate and quote the contract according to the customer's order, and the customer is responsible for the subsequent customs clearance. At the same time, we have no channel sales (distributors) or agents in Australia, no direct sales to Australian end customers (end-users), and no direct entry into the Australian market. So it doesn't apply here.

3. Describe the commercially significant market participants in the Australian market for the goods at each level of trade over the investigation period. Include in your description:

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- names of the participants;
- the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.);
- a description of the degree of integration (either vertical or horizontal) for each market participant; and
- an estimation of the market share of each participant.

As mentioned above, our company only has one customer in Australia at present. Our company offers FOB price. We evaluate and quote the contract according to the customer's order, and the customer is responsible for the subsequent customs clearance. At the same time, we have no channel sales (distributors) or agents in Australia, no direct sales to Australian end customers (end-users), and no direct entry into the Australian market. Our company doesn't have, nor does it have the ability to conduct very detailed research on the Australian direct market.

At the same time, our company is just an ordinary private enterprise. We have neither the ability nor the obligation to know about the important market participants in the Australian market of goods at various trading levels. I hope you can understand.

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

As mentioned above, our company only has one customer in Australia at present. Our company offers FOB price.

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

As mentioned above, our company only has one customer in Australia at present. Our company offers FOB price. We make contract evaluation and quotation according to the customer's order, and the customer shall be responsible for the subsequent customs clearance. We understand that Australia government has imposed tariffs and anti-dumping duties on this product.

6. Describe any entry restrictions for new participants into the Australian market for the goods. Your response could include information on:

- resource ownership;
- patents and copyrights;
- licenses;
- barriers to entry;
- import restrictions; and
- government regulations (including the effect of those government regulations).

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

According to our understanding, Australia government has imposed tariffs and anti-dumping duties on this product. Since our company does not directly sell in the Australian market, we do not know much about other laws and regulations.

C-2 Goods in the Australian market

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

<https://market.cnal.com/>,

GB/T5237-2017 《Aluminium Alloy Extruded Profiles for Architecture Part 》 ;

GBT 6892-2015 《Wrought aluminium and anluminium alloys extruded profiles for general engineering》 and

GB-T 14846-2014 Tolerances on dimensions and form of aluminium and aluminium alloy extruded profiles》。

We think the difference is not big, either for the goods sell to Australia or to our domestic market, they using the same raw material (China Nanhai aluminum spot or Yangtze river aluminum spot, you can refer the price (RMB) through this website: <https://market.cnal.com/>),.

The same production standard, produced in the same workshop. According to the product category, Aluminium profile for construction purposes, we adopted the national standard GB/T5237-2017 "Aluminium Alloy Extruded Profiles for Architecture Part";National standards for industrial materials:GBT 6892-2015 "Wrought aluminium and aluminum alloys extruded profiles for general engineering" and GB 14846-2014 - Tolerances on dimensions and form of aluminum and aluminum alloy extruded profiles.These national standards are equivalent to the same level in the United States, Japan and the European Union of the aluminum industry.

The products sold to Australia are Anodized materials, which belong to the common level of products and do not need the high level of technical requirements.The customer also did not require the use of high-level packaging, using the ordinary kraft packaging.

Compared with the similar products in domestic market , our products sold in the Australian market have extra distribution costs (most of the products sold in China are picked up by customers themselves and we do not need to pay the freight).

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

At present, the products sold in Australia belong to Anodized materials,they are the general products for industrial .Our company is based on the customer's drawings for production, the products produced are not complete and cannot be used directly, but only a component part of the finished products,they are semi-finished products.According to the drawing, we thing it is a part of the photovoltaic bracket.

You can refer to the product drawing if you need.

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

As mentioned above, our company only has one customer in Australia at present, and our quotation is based on FOB price.At the same time, our company has no channel sales (distributors) or agents in

Australia, and does not directly sell to Australian end customers (end-users), so the product attributes of our company in the direct market in Australia are not very clear.

For our company, we will send the sample to the customer and quote FOB price. After the customer passes the test and accepts the price, it is possible to close the deal and sign the contract.

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

At present, the products sold in Australia belong to Anodized materials, they are the general products for industrial. Our company is based on the customer's drawings for production, the products produced are not complete and cannot be used directly, but only a component part of the finished products, they are semi-finished products. According to the drawing, we think it is a part of the photovoltaic bracket. If correct, the substitutes could be other type of photovoltaic bracket products.

This is only our company's judgment and cannot be taken as the final deciding factor.

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

As mentioned, the products sold in Australia at present belong to Anodized materials, they are the general products for industrial. Our company is based on the customer's drawings for production, the products produced are not complete and cannot be used directly, but only a component part of the finished products, they are semi-finished products. According to the drawing, we think it is a part of the photovoltaic bracket. If correct, the complementary shall be the photovoltaic modules such as photovoltaic cells that are compatible with them.

This is only our company's judgment and cannot be taken as the final deciding factor.

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

We have replied before that the products currently sold to Australia are Anodized products for industrial ordinary used. Our company is based on the customer's drawings for production, the products produced are not complete and can be used directly, but only a part of the finished products, semi-finished products. At the same time, we have no channel sales (distributors) or agents in Australia, no direct sales to Australian end customers (end-users), and no direct entry into the Australian market. Therefore, our company's understanding is that there has been little change in the past five years, and it is possible that this view is compared to fragments.

C-3 Relationship between price and cost in Australia

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

In responding to question 1 please provide evidence supporting calculations.

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2. Is your organisation/business entity the price leader for the goods in the Australian market? If no, please explain the reasons behind your response and specify the name(s) of the price leaders.
3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.
4. Explain the process for how the selling prices of the goods for the Australian market by your business are determined. Provide copies of internal documents which support how pricing is determined.
5. How frequently are your Australian selling prices reviewed? Describe the process of price review and the factors that initiate and contribute to a review. Provide the names and positions of all persons involved.
6. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:
 - Competitors' prices
 - Purchase price of raw materials
 - Cost to make and sell the goods
 - Level of inventory
 - Value of the order
 - Volume of the order
 - Value of forward orders
 - Volume of forward orders
 - Customer relationship management
 - Supplier relationship management
 - Desired profit
 - Brand attributes
 - Other [please define what this factor is in your response]

Purchase price of raw materials

Cost to make and sell the goods

Desired profit

Volume of the order

Value of the order

Competitors' prices

Other [please define what this factor is in your response]

Customer relationship management

Volume of forward orders

Value of forward orders

Brand attributes

Supplier relationship management

Level of inventory

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7. Describe the relationship between selling price and costs to make and sell in the Australian market. Does your company maintain a desired profit margin for the goods? If not, does your company seek to maintain a desired profit margin for the goods? Provide copies of internal documents which support your response to this question.
8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the Australian market? If yes, provide a description and explain the terms and conditions that must be met by the customer to qualify. Explain how the cost to make and sell are considered in establishing these price reductions. Provide copies of internal documents which support your claims in response to this question.
9. Do you offer bundled pricing in the Australian market? If yes, explain how the pricing for bundled sales is determined. Explain how the costs to make and sell are considered in establishing these bundled prices for the goods. Provide copies of internal documents which support your claims in response to this question.
10. Does the volume of sales to a customer or the size of an order influence the selling price? If yes, advise how volume is used to determine selling prices. Explain how the costs to make and sell are considered in establishing volume based prices for the goods. Provide copies of internal documents which support your claims in response to this question.
11. Does your organisation/business entity use sales contracts in the Australian market? If yes:
 - (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?
 - (b) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
 - (c) How frequently are sales contracts renegotiated?
 - (d) How frequently are price reviews conducted between contracts?
 - (e) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
 - (f) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
 - (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.
12. Provide copies of any price lists for the goods used in the Australian market during the investigation period. If you do not use price lists, describe the transparency of your prices in the Australian market.
13. How do you differentiate pricing for different products/models of the goods in the Australian market? Describe how your products are grouped for price differentiation and the methodology used. Describe any cost to make or selling cost differences between differentiated products. Describe how these cost differences (if any) influence pricing decisions. Provide copies of internal documents which support your claims in response to this question.

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

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

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

C-3 Relationship between price and cost in Australia

Remark: The quotation method of Australia market is the same as that of China market. As said before, the products sold to Australia are the same as the similar products in China. They belong to anodized profiles and ordinary products. They all use the same raw materials and are produced in the same workshop according to the same production standard. Therefore, there is little difference in product cost and price. You can refer to A-3's answer.

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

It has been reflected in the EXCEL form before. Please check the relevant financial statements.

In responding to question 1 please provide evidence supporting calculations.

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

Not. Our sales in Australia account for a very small proportion. Our company has only one customer in Australia. Our quotation method is FOB price. We evaluate and quote the contract according to the customer's order, and customer is responsible for the subsequent customs clearance. At the same time, our company has no channel sales (distributors) or agents in Australia, no direct sales to Australian end customers (final users), no direct access to the Australian market, so we don't know this very well. Is it possible for a company to become a price leader the more it sells in Australia?

18. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Australia. If there are multiple strategies applied, please rank these by

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importance. If there are different strategies for different products, please specify these. Provide copies of internal documents which support the nature of your product pricing.

Our products to the Australian market are the same as those to the domestic market. They are all cost plus pricing. The extruded aluminum products we produce have the nature of processing industry, which is to purchase raw materials (aluminum ingots or different aluminum alloys), and process according to different product process requirements, and charge reasonable profits to form the final price.

You can refer to a-3-3's reply.

We enclose the contract with our Australian client as evidence.

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

The process of selling products to the Australian market is the same as that of domestic products.

Customer places an order → our company makes a quotation (according to the market price of aluminum ingot on the date of the customer's order + processing fees of different types of products (such as mill finish, anodized profiles, powder coating profiles, etc.) (reasonable profits have been included)) → customer accepts and signs the contract → our company produces, collects and delivers goods according to the contract.

We attach the Australian sales contract to prove our sales price process.

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

Sales in Australia are the same as in China. The extruded aluminum profile produced by our company have the nature of processing industry. Our quotation is based on the market aluminum ingot price. If there is no big change (which is rare), the processing fee of our company is generally fixed, but the price of aluminum ingots in the Chinese market may change every day, or maintain the same level all week. Aluminum content accounts for more than 80% of the aluminum profiles, so the price of aluminum ingot in China market is the main influencing factor.

At the same time, the sales volume in Australia is very small compared with the domestic sales of our company. We quote and sign contracts according to specific orders.

Australian sales related personnel: Jacky, manager of international business department.

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

- Competitors' prices
- Purchase price of raw materials
- Cost to make and sell the goods
- Level of inventory
- Value of the order
- Volume of the order
- Value of forward orders
- Volume of forward orders
- Customer relationship management
- Supplier relationship management

- Desired profit
- Brand attributes
- Other [please define what this factor is in your response]

Our opinion is as follows:

our sales in Australia are based on customer orders, and we have not made inventory preparation.

The order of importance is as follows:

Purchase price of raw materials

Cost to make and sell the goods

Desired profit

Volume of the order

Value of the order

Competitors' prices

Other [please define what this factor is in your response]

Customer relationship management

Volume of forward orders

Value of forward orders

Brand attributes

Supplier relationship management

Level of inventory

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

Same as sales in China. The selling price must be higher than the cost and have a certain profit. If purchase quantity is large, the profit margin can be slightly lower, so as to maintain sufficient profit, which we think is a reasonable way to do business.

You can refer to our pricing contracts with Chinese and Australian customers.

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

At present, our company has only one customer in Australia, with a purchase quantity of several hundred tons per year. Our company gives quotation according to the market situation and keeps enough profit. Our quotation method is the same as that of similar domestic customers.

You can refer to our pricing contracts with Chinese and Australian customers.

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

。 Not

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

At present, our company has only one customer in Australia, with a purchase quantity of several hundred tons per year. Our company gives quotation according to the market situation and keeps enough profit. Our quotation method is the same as that of similar domestic customers.

You can refer to our pricing contracts with Chinese and Australian customers.

26. Does your organisation/business entity use sales contracts in the Australian market? If yes:

(a)What proportion of your sales revenue would come from contracted sales versus uncontracted sales?

(b)Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?

(c)How frequently are sales contracts renegotiated?

(d)How frequently are price reviews conducted between contracts?

(e)Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.

(f)Do changes in your costs to make and sell enable you to review prices for customers within contracts?

(g)Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue. Provide a complete translation of the documents.

All sales of our company adopt sales contract, without exclusive contract. At present, our company has only one customer in Australia, with a purchase quantity of several hundred tons per year. The sales contract of our company is signed according to each batch of customers' orders, and the price is determined according to the raw material aluminum ingot on the ordering date specified in the contract, plus the processing fee of different types of products. For more significant customers, sometimes the annual framework contract will be signed directly, and then the sales price will be determined according to the actual demand of each order.

You can refer to our pricing contract with Australian customers.

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

As described above, our company has only one customer in Australia at present. Our quotation method is FOB price. We evaluate and quote the contract according to the customer's order, and customer is responsible for the subsequent customs clearance. At the same time, our company has no channel sales (distributors) or agents in Australia, no direct sales to Australian end customers (final users). Therefore, we have not tried other price lists except the sales contract with the only customer.

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

For our company, different products are determined according to the production cost, and the production cost is determined by different categories of products (mill finish, anodized profiles, electrophoresis, powder coating, PVDF, heat insulated profiles). Different categories of products have different production processes and different production costs, they are distinguished. As said before, our pricing formula is: product price = market price of aluminum ingot on the ordering date + processing fee of different types of products (such as mill finish, anodized profiles, powder coated profiles, etc.) (production cost and reasonable profit have been included) + freight (if any). Therefore, different kinds of products are reflected in different sales prices. The products sold to Australia are the same as the similar products in China. They belong to anodized profiles and ordinary products. They all use the same raw materials and are produced in the same workshop according to the same production standard. Therefore, there is little difference between product cost and selling price. The products sold by our company in Australia are ordinary anodized profiles. Please refer to the Australian production cost data in Excel table.

29. Do you tier or segment your Australian customers for the goods in terms of pricing? If yes, provide:

(a) a general description of how this is done;

(b) list the factors that influence pricing differentiation in different tiers or segments; and

(c) explain how cost to make and selling costs are considered in making pricing decisions for different tiers or segments.

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

Detailed answers have been given at C3-13. Please refer to the pricing contract between our company and Australian customers.

30. Do you sell the goods to related entities in Australia? If yes, describe how prices are set for related party transactions and specify what proportion of your sales in terms of sales revenue are to related party entities. If available, provide copies of any internal documents relevant to establishing pricing to related parties.

Not applicable

C-4 Marketing and sales support in the Australian market

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

Since the establishment of our factory, we have one consistent purpose slogan: "quality for survival, reputation for development." Our company strictly adopts the international standard of pure aluminum, produces good quality products according to the national standard and the related environmental protection requirements, and conforms to the market price, also maintains the reasonable profit to maintain the company's survival and development. The reliability of our products is illustrated by the fact that our products conform to China's CNAS certification.

Currently, the products our company sells to the Australian market are semi-finished products. There is no distributor or agent in Australia, and no direct sales to the Australian end customers (end-users). Our company sends the sample and the quotation to the customer first. After the customer tests the sample and accepts the price, the two parties sign the sales contract. Our company produces the products consistent with the sample according to the contract. After the customer passes the test and accepts the price, it is possible to close the deal and sign the contract.

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

At present, our company only has one customer in Australia, and our quotation is based on FOB price. The products we sell in the Australian market are relatively few, and they are semi-finished products.

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

Not applicable. Our company has not directly sold to Australian end customers (end-users), nor has it carried out any promotional activities.

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

At present, we do not have a sales team for Australia market. As the manager of the international business department of our company, I made the quotation and signed the contract after receiving the customer's inquiry. Our annual export sales volume is more than 10,000 tons, among which several hundred tons are from Australia. Sales in Australia and other countries have the same sales commission.

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

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As mentioned , the pricing formula of our company is as follows: product price = market price of aluminum ingots on the date of order +processing fee (including production cost and reasonable profit) for different types of products (such as Mill finished, Anodized ,Powder coating,etc) + freight (if any).

The raw material parameters are as follows: the raw material is used in the domestic market: spot price of aluminum ingots in China Nanhai or the Yangtze river. You can check the price (RMB) on this website: <https://market.cnal.com/>, which can be directly checked.

About the processing fee: it will be slightly higher than the domestic processing fee.

EXPORTER'S DECLARATION

I hereby declare that.....**FUJIAN MINFA ALUMINIUM INC**.....(company)

have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

Name :.....**Jacky Chen**.....

Signature :.....

Position in

Company :.....**International Marketing Manager**.....

Date :.....**8th May,2020**.....