



Australian Government  
Department of Industry, Science,  
Energy and Resources

PUBLIC RECORD

Anti-Dumping  
Commission

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## 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

**Response due by:** Open of business Monday 11 May 2020

**Return completed questionnaire to:**  
[investigations4@adcommission.gov.au](mailto:investigations4@adcommission.gov.au)

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

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## INSTRUCTIONS

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

The Anti-Dumping Commission (the Commission) is conducting 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.

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.

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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].

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.

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- 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.

<b>Section</b>	<b>Please tick if you have responded to all questions</b>
Section A Chinese market	<input type="checkbox"/>
Section B Production AND Production Costs	<input type="checkbox"/>
Section C Australian Market	<input type="checkbox"/>
Exporter's declaration	<input type="checkbox"/>
Non-confidential version of this response	<input type="checkbox"/>

## SECTION A 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:

[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PMI'S MARKET SHARE]

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

Building material for housing development is a mature market and very competitive due to recent government control policy on property market speculation. However, market trends tend to be stable. However, demand for goods used for infrastructure such as telecommunication (from 3G to 5G), 3C consumer electronic products and automotive lightweight industry are expanding. Moreover, aluminium products are environmentally friendly with energy conservation and recycled usages and a wider scope of application resulting in higher demand more recently.

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

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PMI'S SOURCES OF DEMAND FOR ITS GOODS]

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

Proportion of demand source of building material as below:

- (i) Main or Sub Contractor – [REDACTED] [PERCENTAGE]
- (ii) PMI Distributor [REDACTED] [PERCENTAGE]

As for industrial good, [REDACTED] [PERCENTAGE] of the sources of demand are from manufacturers or OEM.

- (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;

In general, GDP of China has impact on overall market demand

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

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[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PMI'S  
MARKETING FOCUS]

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

[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PMI'S SALES REVENUE]

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

Generally, there is no impact of imported aluminium profile in Chinese market.

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

PMI Participates in domestic exhibitions in Shanghai and Guangzhou, uses product brochures; attends industry conferences or events to promote PMI and maintains a website. Furthermore, PMI has a sales team to market our products. PMI has participated in the market for high value products over 15 years and it is well recognised manufacturer in China.

- (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).*

1. 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.

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PMI'S MARKET SHARE]

2. 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:



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- names of the participants;

Building material such as XingFa Aluminium, Guandong Fenglu, Guandong JMA and PanAsia Aluminium.

industria products consist of Kam Kiu, PanAsia Aluminium

- the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.);

XingFa Aluminium, Guandong Fenglu, Guandong JMA and PanAsia Aluminium.

Kam Kiu, PanAsia Aluminium

All the above participants are manufacturer.

- a description of the degree of integration (either vertical or horizontal) for each market participant; and

We are unable to tell the degree of integration of all these participants. PMI does not have access to this information which is likely to be commercially sensitive.

- an estimation of the market share of each participant.

We are unable to tell the market share of all each participant listed above. PMI does not have access to this commercially sensitive information.

3. 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.

PMI does not have specific knowledge in relation to importers of the goods to China.

4. 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.

Taxation – Major class of taxation consist of VAT (similar with GST in Australia) and sur-tax of 12% on VAT tax for domestic sales, Corporate Income Tax of 25%, Land Use Tax, Stamp duty & etc.

Product standard – Per customer's product specification and requirement as all tailor made products

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

We believe there are approval requirements in terms of capital, location of projects, utility usage, license and other requirements. Other than this, we do not have much knowledge on restrictions on new participants into Chinese market.

- 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.*

## 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.

The Aluminium products offered for sale in the Chinese market are categorized broadly as:

- a) Building materials and city infrastructure applications
- b) Industrial applications

The quality, technical and product specifications for building and construction materials are generally well established and commonly known. It is a very competitive sector and the pricing of building materials is relatively low as compared to industrial aluminium products which are more customized and tailor made products.

Industrial products have multiple product ranges and different requirements in terms of quality, technical and product specifications. Hence, pricing is vary depending on each of the products concerned.

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

[INFORMATION IN RELATION TO PMI'S CUSTOMERS]

On the other hand, industrial application products will be used by manufacturers in various industries such as consumer electronics, transportation, marine and other industries.etc.

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.

- 1) quality;
- 2) Pricing;
- 3) Brand name

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

Stainless steel, steel and plastic products are considered substitutable

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

Hardware and complete set plastic products

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.

There has been a transformation of materials used in industry from wooden to aluminium.

[INFORMATION IN RELATION TO SPECIFIC PMI CUSTOMERS]

### 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

████ [PERCENTAGE] domestic sales in China

(b) The proportion of your company's profit derived from sales of the goods in China.

Domestic sales contributed █████ [PERCENTAGE] of total PMI gross profit in year 2019.

*In responding to question 1 please provide evidence supporting calculations.*

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.

PMI is not a market leader in either the building materials or industrial products categories. There are several market players for building material such as Xingfa Aluminium, Guangdong Fenglu, Guangdong JMA and PanAsia Aluminium.

Key players for industrial products include consist of Kam Kiu, PanAsia Aluminium.

PMI does not know if these entities are price leaders in the market.

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.

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[INFORMATION IN RELATION TO PMI'S PRICING METHODS]

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.

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████████████████████████████████████████████████████████████████████████████████ [INFORMATION IN RELATION TO PMI'S INTERNAL SALES PROCESSES]

Please refer to the Exporter Questionnaire submitted by PMI for further information and the document marked "sample of quotation-domestic sales".

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.

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[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PMI'S PRICING]

[REDACTED]  
[REDACTED]  
[INFORMATION IN RELATION TO PMI'S PRICING]

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]

- - 1, Raw material purchase price
  - 2, Cost to Make (material, labour and factory overhead)
  - 3, Desired Profit
  - 4, Volume of order
  - 5, Value of the order
  - 6, Value of forward orders
  - 7, Volume of forward orders
  - 8, Competitors' Prices
  - 9, Brand attributes
  10. Customer relationship management
  11. Supplier relationship management

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?

[REDACTED]  
[REDACTED]  
[REDACTED]  
[INFORMATION IN RELATION TO PMI'S PROFITS]

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.

[REDACTED]  
[REDACTED]  
[REDACTED]  
[INFORMATION IN RELATION TO REBATES IN THE CHINESE MARKET]

Section A-8- [REDACTED] [CONFIDENTIAL ATTACHMENT]

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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.

[REDACTED]  
[REDACTED]  
[INFORMATION IN RELATION TO PMI'S PRICING]

Section A-9 [REDACTED] [CUSTOMER INFORMATION]

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.

[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO PRICING]

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

Yes

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

Contracted sales contributing about [REDACTED] [PERCENTAGE] of sales revenue whereas [REDACTED] [PERCENTAGE] comes from uncontracted sales ([REDACTED])  
[REDACTED]  
[INFORMATION IN RELATION TO SALES]

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

No

- (c) How frequently are sales contracts renegotiated?

[REDACTED]  
[INFORMATION IN RELATION TO CONTRACT NEGOTIATIONS]

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

[REDACTED]  
[INFORMATION IN RELATION TO CONTRACT NEGOTIATIONS]

- (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.

[REDACTED]  
[REDACTED]  
[INFORMATION IN RELATION TO PRICING REVIEWS]

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

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[REDACTED] [INFORMATION IN RELATION TO PRICING REVIEWS]

- (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.

Section A-3-11-G Sales in 2019  
Section A-3-11-G PMUK Contract  
Section A-3-11-G Press Metal International Technology Ltd. Contract

- 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.

[REDACTED] [INFORMATION IN RELATION TO PRICE LISTS]

- 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.

[REDACTED] [INFORMATION IN RELATION TO PRICE LISTS]

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

No

- (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 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.

[REDACTED] [INFORMATION IN RELATION TO PMI SALES]

See attachment:

Section A-3-11-G Press Metal International Technology Ltd. Contract

## 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.).

Participating in domestic exhibitions in Shanghai and Guangzhou, product brochures and attendance at industry conferences or events to promote PMI and website maintenance

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.

No.

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.

Billboards in Foshan City, Guangdong Province

4. 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.

[REDACTED]

[REDACTED] [INFORMATION IN RELATION PMI STAFF]

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.

[REDACTED]

[REDACTED] [INFORMATION IN RELATION TO PRICING]

## 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.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[INFORMATION IN RELATION TO PRODUCTION OF THE GOODS]

See attachment:

Section B-1-1 Guangzhou Grandview Crystal Screen Co. Ltd-Purchase order and order confirmation

Section B-1-1 Shanghai Tongji Lvdi Doors & Windows Co., Ltd.-Purchase order and order confirmation

Section B-1-1 Production Order

Section B-1-1 Production Process Card

2. 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.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [INFORMATION IN RELATION TO PRODUCTIONS CAPACITY]

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

Yes

- (a) What is the volume capacity of these facilities?

[REDACTED]

[REDACTED] [INFORMATION IN RELATION TO VOLUME CAPACITY]

- (b) What was the monthly amount of inventory maintained during the investigation period?

[REDACTED] [INFORMATION IN RELATION TO INVENTORY]



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Section A-3-Inventory and Turnover days in 2019

(c) What is the average period of time that inventory is retained (describe how this is calculated)?

[REDACTED] [INFORMATION IN RELATION TO TURNOVER]

Section A-3-Inventory and Turnover days in 2019

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

*Data Source is from SAP.*

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.

The technology has been improved gradually over the past five years such as automation etc. In the past five years, we have added two extrusion lines of 3000T and 7000T, as well as a new smelting production line.

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.

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

[CONFIDENTIAL TABLES IN RELATION TO PRODUCTION CAPABILITY]

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.

[REDACTED]	[REDACTED]	P [REDACTED]	C [REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

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[CONFIDENTIAL TABLE IN RELATION TO PRODUCTION CAPACITY]

Section B-6-Handling System and die oven for 7000UST Extrusion Press  
Section B-6-6000152-High - end aluminum alloy casting projects  
Section B-6-PMI-20150207-SB01 Purchase contract for 2 sets of casting furnace  
Section B-6-7000US Ton Single Action Type Short Stroke Extrusion Press

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

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

Yes

(a) specify how often these cost reports are prepared;

[REDACTED] [INFORMATION IN RELATION TO COSTS REPORTS]

(b) describe the level of detail in those reports and whether they enable the establishment of costs of producing the goods; and

[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO COSTS REPORTS]

(c) specify to whom within the company these reports are provided; and

[REDACTED] [INFORMATION IN RELATION TO COSTS REPORTS]

(d) provide copies of these reports for each month of the investigation period.

See attachment: Section B-7- manufacturing cost 2019

## 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;

[REDACTED]

[PMI MARKETING STRATEGY]

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

Please see supporting document [REDACTED] [CONFIDENTIAL ATTACHMENT]

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

Please see supporting document [REDACTED] [CONFIDENTIAL ATTACHMENT]

(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;

[REDACTED] [INFORMATION IN RELATION TO PMI'S EXPERIENCE OF THE AUSTRALIAN MARKET]

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

[REDACTED] [INFORMATION IN RELATION TO PMI CUSTOMERS]

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

Please see supporting document [REDACTED] [CONFIDENTIAL ATTACHMENT]

**PUBLIC RECORD**

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

To PMI's knowledge the Australian industry is limited in that it generally has only large capacity machinery for large profiles which limits its ability to supply goods which meet vessel designs. Further, [REDACTED]

[REDACTED]. [CONFIDENTIAL INFORMATION IN RELATION TO PMI'S CAPABILITY]

Please see supporting document [REDACTED] [CONFIDENTIAL ATTACHMENT]

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

[REDACTED]  
[REDACTED]  
[REDACTED] [PMI MARKETING STRATEGY]

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

PMI is not aware of further influences on the market.

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

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.

Please see supporting document [REDACTED] [CONFIDENTIAL ATTACHMENT]

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:

- names of the participants;

Hydro  
Constellium

- the level of trade for each market participant (e.g., manufacturer, reseller, original equipment manufacturer (EOM), retailer, corporate stationer, importer, etc.);

Hydro (manufacturer)  
Constellium (manufacturer)

- a description of the degree of integration (either vertical or horizontal) for each market participant; and

Hydro (both vertical or horizontal)  
Constellium (both vertical or horizontal)

- an estimation of the market share of each participant.

N/A

## PUBLIC RECORD

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.

N/A

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.

[REDACTED]

[PMI PRODUCTS]

6. Describe any entry restrictions for new participants into the Australian market for the goods. Your response could include information on:
  - resource ownership; No noticed
  - patents and copyrights; No noticed
  - licenses; No noticed
  - barriers to entry; Dumping duties
  - import restrictions; and Dumping duties
  - government regulations(including the effect of those government regulations). Dumping duties

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

### 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; Locally, 5 series alloy for marine products are not available.
  - price differences; N/A
  - supply/availability differences; No comparable products
  - technical support differences; No comparable products
  - the prevalence of private labels/customer brands; No comparable products
  - the prevalence of generic or plain labels; No comparable products
  - the prevalence of premium labels; and No comparable products
  - product segmentation. No comparable products

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

[REDACTED]

[INFORMATION IN RELATION TO PMI CUSTOMERS]

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.
  - i) Availability;
  - ii) Qualities;
  - iii) Producer's reputation and goodwill;
  - iv) Production flexibilities (including supply chain);
  - v) Pricing (including T&C's);
  - vi) Ability to response;
4. Identify if there are any commercially significant market substitutes in the Australian market for the goods.

Unknown

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

Unknown

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.

N/A

### 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

[REDACTED]

[INFORMATION IN RELATION TO PMI MARKET SHARE]

Please see supporting document '[REDACTED]

[REDACTED] [CONFIDENTIAL ATTACHMENT]

- (b) The proportion of your company's profit derived from sales of the goods in Australia.

[REDACTED]

[INFORMATION IN RELATION TO PMI PROFITS]

*In responding to question 1 please provide evidence supporting calculations.*

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.

[REDACTED]

[REDACTED] [INFORMATION IN RELATION TO PMI'S PLACE IN THE MARKET]

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.

[REDACTED]

[REDACTED] [INFORMATION IN RELATION TO 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.

**PUBLIC RECORD**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED] [INFORMATION IN RELATION TO

SALES PROCESS]

- 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.

[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]  
[REDACTED]

[INFORMATION IN RELATION TO PRICE REVIEWS]

- 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:

- 10, Competitors' prices
- 11, Purchase price of raw materials
- 12, Cost to make and sell the goods
- 13, Level of inventory
- 14, Value of the order
- 15, Volume of the order
- 16, Value of forward orders
- 17, Volume of forward orders
- 18, Customer relationship management
- 19, Supplier relationship management
- 20, Desired profit
- 21, Brand attributes
- 22, Other [please define what this factor is in your response]

- 1. Raw material purchase price
- 2. Cost to Make (material, labour and factory overhead)
- 3. Desired Profit
- 4. Volume of order
- 5. Value of the order
- 6. Value of forward orders
- 7. Volume of forward orders
- 8. Competitors' Prices
- 9. Brand attributes
- 10. Customer relationship management
- 11. Supplier relationship management

- 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.

[REDACTED]  
[REDACTED] [PRICING]

**PUBLIC RECORD**

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.

[REDACTED] [PRICING]

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.

[REDACTED] [PRICING]

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:

No Please refer to the attached document marked "Acceptance of Quotation and Purchase Order"

[REDACTED] [PMI CUSTOMER INFORMATION]

- (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.

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.

[REDACTED] [INFORMATION IN RELATION TO PRICING]

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.

[REDACTED] [INFORMATION IN RELATION TO PRICING]



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

No

- (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.

████████████████████████████████████████████████████████████████████████████████ [INFORMATION IN RELATION TO PMI CUSTOMERS]

### **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.).

In this stage of development, we liaise with the client on their existing projects. Our reliable background and ability to support their product design are the major concerns from the clients. We are able to provide secured quality control through DNVGL, and prompt delivery and mutual understanding business terms and conditions are crucial in the marketing consideration.

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.

No

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.

N/A

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.

████████████████████████████████████████████████████████████████████████████████ [PMI STAFF]

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.

████████████████████████████████████████████████████████████████████████████████ [INFORMATION IN RELATION TO PRICING]

**EXPORTER'S DECLARATION**

I hereby declare that Press Metal International Ltd 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 : CHONG SIEW MOON**

**Signature : .....**

**Position in  
Company : Chief Financial Officer**

**Date : .....**