

Public Version
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Dear Sir

On behalf of Fujian Minfa Aluminium, (Minfa) please find the following response to the submission by Capral.

Regarding to Capral's submission about Minfa's supplementary questionnaire, here is our comment:

1. Minfa sells domestically via two main channels--to distributors and to big project user (end-use customer).

--Attached is our **confidential** Selling and Administrative expenses list, also the Income statement sheet 2019, which all billed by RMB.

2. Minfa purchases aluminum based on domestic exchange aluminium ingot prices, not per LME market prices.

--Yes, not only for domestic clients but also for foreign customers, Minfa all using the domestic prevailing price for the aluminum ingot "on the date of the customer's order" You can check the spot price (RMB) via this website: <https://market.cnal.com/>

3. Minfa maintains inventories for aluminum extrusions per month

-- Minfa has reasonable inventory according to selling demand. Our inventory capacity could reach ■% of our production, about ■ tons/month. Normally we only do inventory about ■ per month based on the spot market trend. The annual financial report 2019 we forwarded previously have shown this data too.

The inventory cost equal to the normal value of the goods. Enclosed is our stock list with the cost,. It's also shown in the Consolidated statement of Financial Position--The column "Inventories". To be declared, the holding cost is much higher than the normal value of the inventory.

4.Minfa sells to only one customer in Australia during the investigation period.
All product is anodised material.

--Yes. We have provided the production drawings for further compare at last email. The production difficulty is the same.

Minfa operates on Client's original purchasing cost (we think this is not the raw material cost, as the raw material only refers to the Aluminum ingot) plus client's relative processing fee plus client's profit basis.