



Australian Government
Department of Industry, Science,
Energy and Resources

PUBLIC VERSION

**Anti-Dumping
Commission**

Exporter Questionnaire

THE SOCIALIST REPUBLIC OF VIETNAM

Case number: 553

Product: Painted steel strapping

From: The People's Republic of China and the Socialist Republic of Vietnam

Investigation period: 1 April 2019 to 31 March 2020

Response due by: Friday 3 July 2020

Return completed questionnaire to:
investigations3@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 an investigation into painted steel strapping (the goods) exported to Australia from the People's Republic of China (China) and the Socialist Republic of Vietnam (Vietnam).

The Commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether painted steel strapping is dumped.

If you do not manufacture the goods

If you play a role in the export of the goods but do not produce or manufacture the goods (for example, you are a trading company, broker, or vendor dealing in the goods), **it is important that you forward a copy of this questionnaire to the relevant manufacturers and inform the Commission of the contact details for these manufacturers immediately.**

The Commission will still require your company to complete this exporter questionnaire except Section G – Cost to make and sell.

What happens if you do not respond to this questionnaire?

You do not have to complete the questionnaire. However, if you do not respond, do not provide all of the information sought, do not provide information within a reasonable time period, or do not allow the Commission to verify the information, we may deem your company to be an uncooperative exporter. In that case the Commission must determine a dumping margin having regard to all relevant information.

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

Extension requests

If you require a longer period to complete your response to this exporter questionnaire, you must submit a request to the 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.

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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).

Confidential and non-confidential responses

You are required to lodge a confidential version (for official use only) and a non-confidential version (for public record) of your response to this exporter questionnaire by the due date. Please ensure that *each page* of information you provide is clearly marked either "FOR OFFICIAL USE ONLY" or "PUBLIC RECORD".

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

A person is not required to provide a summary for the public record if the Commission can be satisfied that no such summary can be given that would allow a reasonable understanding of the substance of the information.

All submissions are required to have a bracketed explanation of deleted or blacked out information for the non-confidential version of the submission. An example of a statement to accompany deleted/blacked out text is:

[Explanation of cost allocation through the divisions, by reference to machine hours or weight].

If such an explanation is not provided, the Commission may disregard the information in the submission. Where the public record version of your response to the exporter questionnaire does not contain sufficient detail, your company may be deemed to have significantly impeded the case and be deemed an uncooperative exporter.

Verification of the information that you supply

The Commission may wish to conduct a visit, if this option is available to the Commission, to your company to verify your questionnaire response for completeness, relevance and accuracy.

However, on 20 March 2020, the Commission published *Anti-Dumping Notice No. 2020/029*,¹ advising that onsite exporter verification activities have been temporarily suspended until further notice as a result of the COVID-19 pandemic.

¹ https://www.industry.gov.au/sites/default/files/adcp/public-record/notice_adn_-_adn_2020-029_-_temporary_suspension_of_international_onsite_verification_0.pdf

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The Commission remains committed to ensuring that data submitted by parties is complete, relevant and accurate. If an onsite visit is not possible, the Commission may elect to undertake alternative verification activities. This includes but is not limited to remote verification, desktop assessments or delaying verification activities until such time as onsite verification is possible. The Commission will continue to monitor current events and assess when the suspension of onsite exporter verification activities can be lifted.

A verification visit, or any verification activity is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be relevant, complete and accurate.

Onsite verification is usually conducted over 4 days, remote and desktop verification may take a longer period of time. In complex cases, a verification visit, if conducted, may be scheduled over 5 days. A desktop verification may require a longer period.

Any verification activity will include a detailed examination of your company's records and we will collect copies of relevant documents. The verification will require the participation of key staff, including your financial accountant, production manager and sales staff. A tour of the manufacturing facility, should an onsite visit be possible, may also be required during the verification visit.

Note that the Commission may disregard any data or information that is not verified, including new or additional information provided after the verification activity.

A report will be prepared following the verification activity, which details the outcomes of the verification. This report will be placed on the public record and may include the publication of the preliminarily-assessed dumping and subsidy margin. The Commission considers that the dumping margin and subsidy margin is not confidential information, but rather an aggregate figure derived from confidential data.

You will be provided with an opportunity to comment on the accuracy and confidentiality of the verification report prior to its publication on the public record.

For information on the Commission's verification procedures, refer to Anti-Dumping Notice No. 2016/30 available on the Commission's website.

Important instructions for preparing your response

- All questions in this exporter questionnaire must be completed. If a question is not applicable to your situation, please answer the question with "Not Applicable" and provide an explanation as to why.
- All questions must be answered in English. An English translation must be provided for documents not originally in English.
- Clearly identify all units of measurement (e.g. KG) and currencies (e.g. AUD) used. Apply the same measurement consistently throughout your response to the questionnaire.
- Label all attachments to your response according to the section of the questionnaire it relates to (e.g. label the chart of accounts as Attachment A-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.

Section	Please tick if you have responded to all questions
Section A Company information	<input type="checkbox"/>
Section B Export sales to Australia	<input type="checkbox"/>
Section C Exported goods & like goods	<input type="checkbox"/>
Section D Domestic sales	<input type="checkbox"/>
Section E Due allowance	<input type="checkbox"/>
Section F Third country sales	<input type="checkbox"/>
Section G Cost to make and sell	<input type="checkbox"/>
Section H Particular market situation	<input type="checkbox"/>
Section I Vietnamese market	<input type="checkbox"/>
Section J Production and Production Costs	<input type="checkbox"/>
Section K Australian Market	<input type="checkbox"/>
Exporter's declaration	<input type="checkbox"/>
Non-confidential version of this response	<input type="checkbox"/>

Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	<input type="checkbox"/>
B-4 Upwards sales	<input type="checkbox"/>
B-5 Upwards selling expenses	<input type="checkbox"/>
B-6 Historical sales	<input type="checkbox"/>
D-2 Domestic sales	<input type="checkbox"/>
F-2 Third country sales	<input type="checkbox"/>
G-3 Domestic CTM	<input type="checkbox"/>
G-4.1 SG&A listing	<input type="checkbox"/>
G-4.2 Dom SG&A calculation	<input type="checkbox"/>
G-5 Australian CTM	<input type="checkbox"/>
G-7.2 Raw material CTM	<input type="checkbox"/>
G-7.4 Raw material purchases	<input type="checkbox"/>
G-8 Upwards costs	<input type="checkbox"/>
G-9 Capacity utilisation	<input type="checkbox"/>

GOODS UNDER CONSIDERATION

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices and/or in receipt of countervailable subsidies, are:

Painted steel strapping, of carbon steel, whether or not in coils, whether or not waxed, with a nominal width of 12 mm to 32 mm, a nominal thickness of 0.5 mm to 1.5mm.

Stainless steel strapping and galvanised steel strapping are excluded from the goods.

Tariff Classification

The goods may be classified in Schedule 3 to the *Customs Tariff Act 1995* as follows:

Tariff Subheading	Statistical Code	Description
7212		FLAT-ROLLED PRODUCTS OF IRON OR NON-ALLOY STEEL, OF A WIDTH OF LESS THAN 600 mm, CLAD, PLATED OR COATED:
7212.40.00		Painted, varnished or coated with plastics:
	62	Of a width not exceeding 32 mm

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Model Control Code

Details of the model control code (MCC) structure for the goods are in the table below. Export sales data (Section B-2), domestic sales data (Section D-2) and cost to make and sell data (Section G-3, G-4 & G-5) submitted in this response must follow this MCC structure. At a minimum, the data must report sales and cost data separately for each of the mandatory MCC categories identified.

	Category	Sub-Category	Identifier	Sales Data	Cost Data
1	Hot rolled coil carbon content	≤0.22 %	C1	Mandatory	Mandatory
		>0.22 % to ≤0.37 %	C2		
		>0.37 % to ≤0.0.54 %	C3		
		≥0.54 %	C4		
2	Width	≤12.7 mm	W1	Mandatory	Optional
		>12.7 mm to ≤16.0 mm	W2		
		>16.0 mm to ≤19.1 mm	W3		
		>19.1 mm to ≤32.0 mm	W4		
3	Thickness	≤0.7 mm	T1	Mandatory	Optional
		>0.7 mm to ≤1.0 mm	T2		
		>1.0 mm	T3		
4	Break force	≤10 KN	B1	Mandatory	Optional
		≥10 to <15 KN	B2		
		≥15 KN to <25 KN	B3		
		≥25 KN	B4		
5	Metres per kilogram	≤5 m/kg	S	Mandatory	Optional
		≥5 m/kg to <10 m/kg	M		
		≥10 m/kg	L		
6	Coil winding*	Ribbon wound	R	Optional	Optional
		Mill/rope wound	M		
		Other (including not in coils)	O		

In constructing a MCC, use a "-" between each category. For example: **C1-W2-T1-B1-L-R**

The MCCs will be used to model match export models to the identical or comparable domestic models. In addition, the MCCs will be used to determine the profitability of domestic sales in the ordinary course of trade test by comparing domestic selling prices to the corresponding cost to make and sell. The MCC may also be used to compare the export price to the cost to make the exported model as part of the constructed normal value.

If there are models manufactured and sold by your company that do not align within the MCC structure above, this should be raised by lodging a submission with the Commission as soon as is practicable, but no later than the time this questionnaire is due, otherwise the response may be deemed deficient.

SECTION A COMPANY INFORMATION

A-1 Company representative and location

1. Please nominate a contact person within your company:
Name: [REDACTED]
Position in the company: Director of Administration department
Telephone: [REDACTED]
E-mail address: [REDACTED]
2. If you have appointed a representative, provide the their contact details:
Name: John Bracic
Address: PO Box 2306, Manuka, ACT 2603
Telephone: (+61) 499 569 729
E-mail address: john@jbracic.com.au

In nominating a representative, you are granting authority to the Commission to discuss matters relating to the case with the nominated representative, including your company's confidential information.

Please refer to **Exhibit A-1.2 Power of attorney**.

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

Answer:

All the company's financial records are kept at the company's factory in Nhon Trach V Industrial Zone, Hiep Phuoc Commune, Nhon Trach district, Dong Nai Province, Vietnam

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

Answer:

All the company's production records are kept at the company's factory in Nhon Trach V Industrial Zone, Hiep Phuoc Commune, Nhon Trach district, Dong Nai Province, Vietnam

A-2 Company information

1. What is the legal name of your business?

Answer:

As indicated in the company's Business license No [REDACTED] dated March 22nd 2019 issued by the People's Committee of Dong Nai Province, Vietnam, the company's full legal name in Vietnamese is "CÔNG TY TRÁCH NHIỆM HỮU HẠN SAM HWAN VINA" and the company's full legal name in English is "SAM HWAN VINA CO., LTD" (hereafter referred as to "SHVN" or "the Company").

The Company's business license is provided at **Exhibit A-2.1 Business license**.

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

Answer:

SHVN does not trade under any different name or brand.

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

Answer:





SHVN was not ever known by any different legal or trading name.

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

Answer:

The list of current board of director are provided at **Exhibit A-2.4 Board of directors**.

The board of director was changed in 20 February 2019. From 01 December 2015 to 19 February 2019, the board of director includes 04 persons as below:

-  – Chairman
-  – Member
-  – Member
-  – Member

5. Is your company part of a group (e.g. parent company with subsidiaries, common ownership, joint-ventures)? If yes, provide:

- (a) A diagram showing the complete ownership structure; and
- (b) A list of all related companies and its functions

Answer:

- a) Ownership structure diagram

[CONFIDENTIAL DIAGRAM REDACTED]

In addition, SHVN does not have any subsidiaries

- b) Please refer to **Exhibit A-2.5 Related companies** for detailed

6. Is your company or parent company publicly listed?

If yes, please provide:

- (a) The stock exchange where it is listed; and
- (b) Any principle shareholders²

If no, please provide:

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

Answer:

SHVN is a limited company incorporated in Vietnam. The Company and its parent companies are not listed in any stock exchanges.

The list of all principal shareholders and the shareholding percentages of SHVN is provided at **Exhibit A-2.6 List of principal shareholders**.

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

² Principal shareholders are those who are able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company.

Answer:

SHVN owns well equipped and efficient facilities to produce high-end quality steel strapping and plastic strapping bands. All the Company's products are applied to Fully Automatic Strapping Machines and Pneumatic strapping tools. The Company follows ASTM D-3953 standard for mechanical properties-breaking strength and elongation, size and coil dimension.

All the products manufactured and sold by the Company are described in **Exhibit A-2.7 Catalogue**.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:
- (a) produce or manufacture;
 - (b) sell in the domestic market;
 - (c) export to Australia; and
 - (d) export to countries other than Australia.

Answer:

The Company performs all 04 above functions in relation to the goods under consideration.

9. Provide your company's internal organisation chart.

Answer:

The Company's internal organisation chart is provided at **Exhibit A-2.9 Internal Organization Structure**.

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

Answer:

The functions performed by each department are described in detail at **Exhibit A-2.9 Internal Organization Structure**.

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

Answer:

The Company does not produce brochures, pamphlets or other promotional material.

A-3 General accounting information

1. What is your financial accounting period?

Answer:

The accounting period is from 01 January to 31 December.

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

Answer:

The Company financial accounts are audited by [REDACTED].

3. What currency are your accounts kept in?

Answer:

The accounts are kept in Vietnam Dong (VND).

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

Answer:

The name of SHVN's financial accounting system is [REDACTED].

5. What is the name of your sales system?

Answer:

The sales system is incorporated in the same accounting system. Certain data and reports are kept track in [REDACTED] by the Company's departments.

6. What is the name of your production system?

Answer:

The production system is incorporated in the same accounting system. Certain data and reports are kept track in [REDACTED] by the Company's departments.

7. If your financial accounting, sales and production systems are different, how do the systems interact? Is it electronically or manual? Please provide a detailed explanation and include diagrams.

Answer:

The three systems are the same.

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

Answer:

SHVN's accounting practices are in accordance with the generally accepted accounting principles of Vietnam, the Vietnam Accounting Standard ("VAS")

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

Answer:

There was no change to the Company's accounting practices over the last two years.

A-4 Financial Documents

1. Please provide the two most recently completed annual reports and/or financial statements for your company and any other related companies involved in the production and sale of the goods.

Answer:

The Company's audited financial statements for 2018 and 2019 are provided at **Exhibit A-4.1 Financial statements**.

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The Company does not have any related companies which involves in the production and sale of the goods.

2. If the financial statements in A-4.1 are unaudited, provide for each company:
- (a) the tax returns relating to the same period; and
 - (b) reconciliation of the revenue, cost of goods sold, and net profit before tax between the financial statements and tax returns.

Answer:

The financial statements in A-4.1 are audited.

3. Does your company maintain different profit centres? If yes, provide profit & loss statements for the profit centre that the goods falls into for:
- (a) the most recent financial year; and
 - (b) the period.

Answer:

The Company does not maintain different profit centres.

4. If the period is different to your financial period, please provide:
- (a) Income statements directly from your accounting information system covering the most recent financial period and the period; or
 - (b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

Answer:

(a) Income statements covering financial year 2019 and the period are provided at **Exhibit A-4.4 Income statements.**

(b) Quarterly income statements covering financial year 2019 and the period are provided at **Exhibit A-4.4 Income statements.**

5. Please provide a copy of your company's trial balance (in Excel) covering the period and the most recent financial year.

Answer:

The Company's trial balance reports in Excel for financial year 2019 and the period are provided at **Exhibit A-4.5 Trial balance.**

6. Please provide your company's chart of accounts (in Excel).

Answer:

The Company's chart of accounts in Excel is provided at **Exhibit A-4.6 Chart of account.**

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

SECTION B EXPORT SALES TO AUSTRALIA

B-1 Australian export sales process

1. Provide details (and diagrams if appropriate) of the export sales process of your company and any entities (e.g. agents) including:
 - (a) Marketing and advertising activities
 - (b) Price determination and/or negotiation process
 - (c) Order placement process
 - (d) Order fulfilment process and lead time
 - (e) Delivery terms and process
 - (f) Invoicing process
 - (g) Payment terms and process

Answer:

The flow chart of the export sales process and the detailed description are provided at **Exhibit B-1.1 Export sales process**.

2. In what currency do you invoice your customers for goods exported to Australia? If it is not in your local currency:
 - (a) Do your customers pay you into a foreign currency denominated account? If yes, provide details;
 - (b) Do you use forward contracts to lock in the foreign exchange rate relating to the export sales? If yes, provide details;
 - (c) How is the exchange rate determined in your accounting system and how often is it updated?

Answer:

The goods value is invoiced in [REDACTED] ([REDACTED]) to Australian customers.

- The good value is paid to SHVN by the customers into SHVN's foreign currency bank account.
- SHVN does not use forward contracts to lock in the foreign exchange rate relating to the export sales.
- The foreign currency revenue is converted to VND and recorded in the accounting system using exchange rate stated in Vietnam export custom declaration.

3. Are there any customers of the goods exported to Australia related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

Answer:

All Australian customers are unrelated to SHVN.

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

Answer:

The Company does not issue any price lists to any customers. The price is negotiated and finalized by order.

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5. Do your export selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Answer:

The Company does not have any distribution channel in export sales.

6. Did you provide on-invoice discounts and/or off-invoice rebates to any customer or an associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide a description and explain the terms and conditions that must be met by the customer to obtain the discount.

Answer:

The Company does not offer any discounts or rebates in relation to the sale of the goods exported to Australia.

7. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the goods exported to Australia during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

Answer:

There is no credit or debit note directly or indirectly issued to Australian customer.

8. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:
- (a) What date are you claiming as the date of sale?
 - (b) Why does this date best reflect the material terms of sale?

Answer:

Customs declaration dates are taken to be the dates of sale in the Company's accounting practices. The practice is in accordance with Vietnamese law, specifically Circular no. 119/2014/TT-BTC, Article 3, point 7 as below:

"Commercial invoice. The day to determine revenue from export to calculate tax is the day on which customs procedure completion is confirmed on the customs declaration"

B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales"
 - This worksheet lists all sales (i.e. transaction by transaction) exported to Australia of the goods invoiced within the period. This includes exports to Australia sold through a domestic customer.
 - If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If there are any direct selling expenses incurred in respect of the exports to Australia not listed in the spreadsheet, add a column. For example, if the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. delivered duty paid), insert additional columns in the spreadsheet for all other costs incurred.

Answer:

Worksheet named **B-2 Australian sales** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

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Please note that:

- **Customer code [1.1]:** Newly added. The column presents coding value assigned to each customer in the accounting system.
- **MCC Cate 1 – Steel base [3.1]:** Newly added following the Commission additional instruction for completing the MCC. Therefore, the category sequence number of MCC fields were changed as below:

MCC Field	Old SN	New SN
Hot rolled coil carbon content	1	2
Width	2	3
Thickness	3	4
Break force	4	5
Metres per kilogram	5	6
Coil winding	6	7

- **MCC Cost [3.2]:** Newly added. The column is for the purpose of referring to Cost to make worksheet.
- **Steel base [4.2]:** Newly added in accordance with the Commission additional instruction for completing the MCC. All products were produced from [REDACTED].
- **Carbon content [4.2]:** All products were produced from the materials having carbon content [REDACTED] %.
- **Break force (N/mm2) [4.2]:** Newly added. The column presents break force value in N/mm2 unit which is stated in the Company document such as Mill test certification. In addition, break force in N/mm2 can be converted to break force in kN (the investigation case unit) following the below formula:
$$\text{Break force}_{(kN)} = \frac{\text{Break force}_{(N/mm2)}}{1,000} \times \text{Width} \times \text{Thickness}$$
- **Custom declaration number [5.1]:** Newly added. The column presents number of Vietnamese export custom declaration included in each sale document package.
- **Gross invoice value (VND) [12.1]:** Newly added. The column presents sale revenue in Vietnamese recorded into the accounting system under account number [REDACTED].
- **Document charges [15]:** The column presents document fee stated in the commercial invoice.
- **Ocean freight (VND) [17.1]:** Newly added. The column presents the amount of ocean freight in VND recorded into the accounting system.
- **Marine insurance (VND) [18.1]:** Newly added. The column presents the amount of marine insurance fee recorded into the accounting system.
- **Credit cost (VND) [22]:** The column presents SHVN credits provides its customer. Please refer to question E-1.2 for the detailed calculation.
- **Sale allowance (VND) [23]:** The column presents SHVN allowance provided its customer due to defective products.

2. Provide a table listing the source of the data for each column in the “B-2 Australian sales” listing.

Answer:

The list of source of the data for each column in worksheet **B-2 Australian sales** is provided at **Exhibit B-2.2 Source data of worksheet B-2**.

B-3 Sample export documents

1. Select the two largest invoices by value and provide the following documentation:

PUBLIC VERSION

- Contracts
- Purchase order and order confirmation
- Commercial invoice and packing list
- Proof of payment and accounts receivable ledger
- Documents showing bank charges
- Invoices for inland transport
- Invoices for port handling and other export charges
- Bill of lading
- Invoices for ocean freight & marine insurance (if applicable)
- Country of origin certificates (if applicable)

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

Answer:

The documentations of the two Australian largest invoices by value are provided at **Exhibit B-3.1 Australian export sale samples**.

2. For each document, please annotate the documents or provide a table reconciling the details in the “B-2 Australian sales” listing to the source documents in B-3.1.

Answer:

The details in the “B-2 Australian sales” listing are highlighted in yellow in the submitted sale documents for the reconciliation purpose. Please refer to Exhibit B-3.1 Australian export sale samples.

B-4 Reconciliation of sales to financial accounts

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in B-2, D-2 and F-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

Worksheet named **B-4 Upwards sales** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-4 Upwards sales”. If the documents include spreadsheets, all formulas used must be retained.

Answer:

All documents required to complete B-4 Upwards sales are provided at **Exhibit B-4.2 Reconciliation of sales to financial accounts**.

3. For any amount in the “B-4 Upwards sales” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column D of the worksheet; and
 - highlight or annotate the amount shown in the source document.

Answer:

All hard coded amounts' sources are indicated in detail in column D of **B-4 Upwards sales** and highlighted in the source document.

B-5 Reconciliation of direct selling expenses to financial accounts

1. Please complete the worksheet named “B-5 Upwards selling expense” to demonstrate that the direct selling expenses (e.g. Inland transport) in B-2 and D-2 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

Worksheet named **B-5 Upwards selling expenses** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

2. Please provide all documents, other than those in A-4, B-2 and D-2, required to complete the “B-5 Upwards selling expense” worksheet. If the documents include spreadsheets, all formulas used must be retained.

Answer:

All the documents required to complete the **B-5 Upwards selling expense** are provided at **Exhibit G-4.1 SG&A expenses**.

3. For any amount in the “B-5 Upwards selling expenses” worksheet that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column C of the worksheet; and
 - highlight or annotate the amount shown in the source document.

Answer:

All hard-coded amounts’ sources are indicated in detail in column C of **B-5 Upwards selling expense** and highlighted in the source document.

B-6 Historical sales listing

1. Complete the worksheet named “B-6 Historical sales”
 - This worksheet lists the totals of all sales for each product code exported to Australia of the goods in each calendar year for 2016, 2017 and 2018. This includes exports to Australia sold through a domestic customer.
 - You must provide this list in electronic format using the template provided.

Answer:

Worksheet named **B-6 Historical sales** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

2. Provide a table listing the source of the data for each column in the “B-6 Historical sales” listing.

Answer:

B-6 Historical sales was prepared based on the document provided at **Exhibit B-6.2 Historical sale source**, specifically from worksheet B-6 of the 03 sale reports,

SECTION C EXPORTED GOODS & LIKE GOODS

The Commission considers the MCC structure in and of itself is not likely to be commercially sensitive information. Any claim that disclosing the MCC information is confidential or would adversely affect your business or commercial interests must be raised by lodging a submission as soon as practicable, but no later than the time this questionnaire is due.

C-1 Models exported to Australia

1. Fully describe all of the goods your company exported to Australia during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the goods exported to Australia.

Answer:

SHVN exported strapping steels to Australia during the investigation period in a wide variety of width, thickness and break force. However, all the steel strapping products of the Company are produced from [REDACTED], which is a kind of [REDACTED], having carbon content [REDACTED] %.

As presented in worksheet **B-2 Australian sales**, there are 04 product codes of strapping steel exported to Australia. They can be divided into 03 groups of products as below:

- [REDACTED] and [REDACTED]: [REDACTED]. These products are applied for almost general packaging;
- [REDACTED]: [REDACTED]. These products are manufactured for the middle markets and are applied for Timber, Steel, Glass, etc;
- [REDACTED]: [REDACTED]. These products are used for heavier duty packaging such as Lumber industries, glass, mining industry, etc.

The detailed specifications of each group are presented at **Exhibit A-2.7 Catalogue**.

2. Provide a list of MCCs of the goods exported to Australia. This must cover all MCCs listed in the Australian sales listing in B-2.
 - This list must be disclosed in the public record version of the response.

Answer:

The list of MCCs of the goods exported to Australia is provided at **Exhibit C-1.2 Model control code – Australia**. Please note that the listing is a part of table **B-2 Australian sales** which are columns from [3.1] to [4.2]. See MCC list below.

EXPORT MCC LIST
C-C1-W1-T1-B1-L
C-C1-W2-T1-B1-L
C-C1-W3-T1-B1-L
C-C1-W3-T1-B2-L
C-C1-W3-T2-B2-M
C-C1-W4-T2-B3-M

C-2 Models sold in the domestic market

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1. Fully describe all like goods your company sold on the domestic market during the period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the like goods sold on the domestic market.

Answer:

All like goods SHVN sold in the domestic market during the period have a wide variety of width, thickness and break force. As described in question C-1.1, all the steel strapping products of the Company including the like goods are produced from [REDACTED], which is a kind of [REDACTED], having carbon content [REDACTED] %.

There are 05 product codes of like goods sold in the domestic market during the period. 04 of them, which are [REDACTED], [REDACTED] [REDACTED] and [REDACTED], have no difference in specification described in the Company's catalogue between Australian market and domestic market. [REDACTED] was sold in the domestic and other countries rather than Australia. The product is also produced from [REDACTED] having carbon content [REDACTED] % and [REDACTED] %. Please refer to **Exhibit C-1.1 Tension Test Report – [REDACTED]**.

2. Provide a list of MCCs of like goods sold on the domestic market. This must cover all MCCs listed in the domestic sales listing in D-2.
 - This list must be disclosed in the public record version of the response.

Answer:

The list of MCCs of like goods sold in the domestic market is provided at **Exhibit C-2.2 Model control code - Domestic**. Please note that the listing is a part of table **D-2 Domestic sales** which are columns from [3.1] to [4.2].

DOMESTIC MCC LIST
C-C1-W1-T1-B1-L
C-C1-W2-T1-B1-L
C-C1-W3-T1-B1-L
C-C1-W3-T1-B2-L
C-C1-W3-T1-B2-M
C-C1-W3-T2-B2-M
C-C1-W4-T1-B2-M
C-C1-W4-T1-B3-M
C-C1-W4-T2-B3-M
C-C1-W4-T2-B3-S
C-C1-W4-T2-B4-S
C-C2-W4-T1-B3-M
C-C2-W4-T2-B3-S
C-C2-W4-T2-B4-S

C-3 Internal product codes

1. Does your company use product codes or stock keeping unit (SKU) codes?

If yes:

- (a) Provide details of the product or SKU coding system for the goods, such as a legend or key of the meaning for each code within the product or SKU code.
- (b) Provide details on how you mapped the product or SKU codes to the MCC for the purpose of completing this questionnaire.
- (c) Provide a table of showing the product or SKU codes for each MCC.

If no:

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(a) Provide details on the method used to identify the MCC in the sales and cost spreadsheets.

Answer:

SHVN uses stock keeping unit codes in 02 levels as below:

Level 1: Type of items in the stock. Level 1 includes 03 types:

- [REDACTED]: Merchandise;
- [REDACTED]: Material.
- [REDACTED]: Finished goods.

Level 2: Item codes. These code is specific for each item in the stock.

Some products' codes have 02 last letters ([REDACTED] or [REDACTED]) which stands for type of items in the stock to identify the good. Please refer to the below table:

Level 1	Level 2	Item name
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

All the product under investigation sold by SHVN during the POI were produced by SHVN. Therefore, there are 05 items ([REDACTED], [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED]) are SKU code for product under investigation.

By only using SKU code, it is unable to identify the MCC for each product sold. To identify the MCC in the sales and cost spreadsheets, the Company indicates the product description stated in the hard copy of sale document in a newly added column for product description in each spreadsheet. Product verifications are both extracted from product description and referred from the sale document.

The list of SHVN's SKU codes are provided at **Exhibit C-3.1 Stock keeping unit code**.

SECTION D DOMESTIC SALES

D-1 Domestic sales process

1. Provide details (and diagrams if appropriate) of the domestic sales process of your company and any other related entities including:
 - (a) Marketing and advertising activities
 - (b) Price determination and/or negotiation process
 - (c) Order placement process
 - (d) Order fulfilment process and lead time
 - (e) Delivery terms and process
 - (f) Invoicing process
 - (g) Payment terms and process

Answer:

The flow chart of the domestic sales process and the detailed description are provided at **Exhibit D-1.1 Domestic sales process**.

2. Are any domestic customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

Answer:

The Company has a related customer which is [REDACTED].

The company does not have any separate pricing policies for its related customer. The selling prices are negotiated in transaction by transaction basis for both related and unrelated customers.

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

Answer:

The company has no price list. Selling prices are negotiated in transaction by transaction basis.

4. Do your domestic selling prices vary according to the distribution channel identified? If yes, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Answer:

SHVN does not have any distributors in the domestic market. SHVN identifies its customers into 02 classes based on the best knowledge about the customer purposes while purchasing the products of SHVN as below:

- [REDACTED] buy SHVN's products in the large quantities then resell the products to their customers in smaller quantities.
- [REDACTED] buy SHVN's products and use the products in their packaging.

The 02 classes are indicated as level of trade in worksheet **D-2 Australian sales**. However, please note that there is no difference in both function and prices between the customer classes.

5. Did you provide on-invoice discounts and/or off-invoice rebates to the customer or an associate of the customer in relation to the sale of the like goods during the period? If yes, provide a description; and explain the terms and conditions that must be met by the importer to obtain the discount.

Answer:

The Company does not have any policies on discounts or rebates in relation to the sale of the like goods during the period. Therefore, no discount or rebate is reported in worksheet **D-2 Domestic sales**.

6. Did you issue any credit or debit notes (directly or indirectly) to the customer or associate of the customer in relation to the sale of the like goods during the period? If yes, provide details of the credit/debit notes including the reasons the credit/debit notes were issued.

Answer:

During the period, SHVN issued only 01 invoice in relation to the domestic sale of the like goods. The amount VND [REDACTED] recorded under account [REDACTED] ([REDACTED]) was the adjustment of wrong selling price stated in the sale invoice. The adjusted invoice was provided at **Exhibit D-1.6 Sale allowance invoice**.

7. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:
- What date are you claiming as the date of sale?
 - Why does this date best reflects the material terms of sale?

Answer:

In relation to the domestic sales, the invoice date is taken to be the date of sale.

D-2 Domestic sales listing

1. Complete the worksheet named "D-2 Domestic sales"
- This worksheet lists all domestic sales (i.e. transaction by transaction) of like goods invoiced within the period, even if they are models not exported to Australia
 - If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then add the sales within your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in question D-2 above, add a column for each item. For example, certain other selling expenses incurred.

Answer:

Worksheet named **D-2 Domestic sales** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

- **Customer code [1.1]:** Newly added. The column presents coding value assigned to each customer in the accounting system.
- **MCC Cate 1 – Steel base [3.1]:** Newly added following the Commission additional instruction for completing the MCC. Therefore, the category sequence number of MCC fields were changed similarly to worksheet **B-2 Australian sales**.
- **MCC Cost [3.2]:** Newly added. The column is for the purpose of referring to Cost to make worksheet.
- **Steel base [4.2]:** Newly added in accordance with the Commission additional instruction for completing the MCC. All products were produced from [REDACTED].

PUBLIC VERSION

- **Carbon content [4.2]:** [REDACTED], [REDACTED], [REDACTED] and [REDACTED] were produced from the materials having carbon content [REDACTED]%. [REDACTED] were produced from the materials having carbon content [REDACTED] % and [REDACTED] %.

- **Break force (N/mm2) [4.2]:** Newly added. The column presents break force value in N/mm2 unit. SHVN does not issue mill test certificate for products sold to Vietnamese customers. Therefore, SHVN refers to average break force value of the products exported to Australia and other countries to update the break force value (N/mm2) for the like goods as the below table:

Product code	Break force (kgf/mm2) (1)	Break force (N/mm2) (2) = (1) * 9.807
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

- **Shipping terms [8]:** All products sold in the domestic market were delivered to customers' address (warehouse or factory). Therefore, all the shipping terms was reported as "Delivered".

- **Credit cost (VND) [22]:** The column presents SHVN credits provides its customer. Please refer to question E-1.1 for the detailed calculation.

- **Sale allowance (VND) [23]:** The column presents SHVN allowance provided its customer due to adjustment on selling price as mentioned in question D-1.6.

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

Answer:

The list of sources of the data for each column in worksheet **D-2 Domestic sales** is provided at **Exhibit B-2.2 Source data of worksheet B-2**.

D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:

- Contracts
- Purchase order and order confirmation
- Commercial invoice and packing list
- Proof of payment and accounts receivable ledger
- Documents showing bank charges
- Delivery invoices

Answer:

The samples of domestic sale document are provided at **Exhibit D-3.1 Domestic sale samples**.

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

Answer:

The details in the D-2 Domestic sales listing are highlighted in yellow in **Exhibit D-3.1 Domestic sale samples** for the reconciliation purpose

D-4 Reconciliation of sales to financial accounts

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

The section B-4 is completed.

SECTION E DUE ALLOWANCE

E-1 Credit expense

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

Answer:

- (a) During the POI, SHVN provided domestic customers with credit by accepting payment via bank transfer in [REDACTED] days from the date of sales. However, there was no rolling credit facility provided and all payment terms are specifically agreed at the time of sale.
- (b) The Company had short term borrowings from [REDACTED] [Bank]. Please refer to **Exhibit E-1.1 Short term borrowing contract (VND)**.

As highlighted in page 5 of the exhibit the contract, interest is determined by a sum of 3 Month Libor Rate on the Interest Rate Determination Date and margin: Libor03M + [REDACTED]% per annum.

In worksheet **D-2 Domestic sales**, the Company claims credit cost as below:

$$\text{Credit cost} = \text{Gross invoice value} \times \text{Interest rate} \times \frac{\text{Payment term}}{365}$$

In which, interest rate is [REDACTED]/year as highlighted in page 34 of the exhibit.

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

Answer:

PUBLIC VERSION

- (a) During the POI, SHVN provided Australian customers with credit by accepting payment via bank transfer in [redacted] days from the date of sales. Only [redacted] [customer] had to make pre-payment for the full amount of invoice. However, there was no rolling credit facility provided and all payment terms are specifically agreed at the time of sale.

The Company had short term borrowings in USD from [redacted] [Bank]. Please refer to **Exhibit E-1.2 Short term borrowing contract (USD)**.

In worksheet **B-2 Australian sales**, the Company claims credit cost as below:

$$\text{Credit cost} = \text{Gross invoice value (VND)} \times \text{Interest rate} \times \frac{\text{Payment term}}{365}$$

In which, interest rate is [redacted]%/year as highlighted in the exhibit.

SHVN does not have any term deposits or other cash products in USD.

E-2 Packaging

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

Answer:

The like goods are normally packed using [redacted], [redacted], [redacted] and [redacted]. A sample of like good packaging procedure is provided at **Exhibit E-2.1 Domestic sale packaging**.

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

Answer:

The goods are normally packed using [redacted], [redacted], [redacted] and [redacted]. A sample of the good packaging procedure is provided at **Exhibit E-2.2 Export sale packaging**.

3. If there are distinct differences in packaging between your domestic and export sales:
- Provide details of the differences
 - Calculate the weighted average packaging cost for each model sold on the domestic market
 - Calculate the weighted average packaging cost for each model exported to Australia

Answer:

There is not significant difference in packaging between SHVN domestic and export sales. In addition, SHVN records packing cost of both domestic sales and export sales under the same account which is [redacted] (Cost of production). Therefore, the Company does not claim adjustment on packaging in **B-2 Australian sales** and **D-2 Domestic sales**.

E-3 Delivery

1. Are any domestic sales of like goods delivered to the customer? If yes, how were the transportation costs calculated in the domestic sales listing in D-2?

Answer:

All the domestic sales of like goods are delivered to the customers. Therefore, all transactions' shipping terms in worksheet **D-2 Domestic sales** are reported as "Delivered".

PUBLIC VERSION

All delivery related expenses, which are for both domestic sales and export sales, are recorded under account [REDACTED] (**Costs of outsourced services**). The expenses include inland transportation expenses, export marine insurance fees, ocean freights, port charges and other fees. The accounting department identifies the nature, which are related market and expense type, of each accounting entry recorded in the account ledger. A table is prepared to summarize the total expense amount of each market in **Allocation** worksheet, **Detailed ledger - Acc 641** file, **Exhibit G-4.1 SG&A expenses**.

Total domestic inland transportation amounting VND [REDACTED] is allocated to the like goods and the other products based on quantity sold. Therefore, inland transportation expense per unit MT of quantity sold is VND [REDACTED] (cell **D21**).

In the column for transportation costs in **D-2 Domestic sales**, the cost is calculated using the below formula:

$$\text{Transportation [17]} = \text{Quantity sold [10]} \times \text{[REDACTED]}$$

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

Answer:

During the period, the product under investigation was exported to Australia under several delivery terms which are FOB, CFR and CIF.

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

Answer:

As described in question E-3.1, inland transport and port charges are recorded under account [REDACTED]. Both the expenses are allocated to the goods and other products based on the quantity sold and the allocation calculation is presented in **Allocation** worksheet, **Detailed ledger - Acc 641** file, **Exhibit G-4.1 SG&A expenses**.

Total inland transportation expenses for the goods exported to Australia is VND [REDACTED] and the cost per unit MT of quantity sold is VND [REDACTED] (cell **F21**). In **B-2 Australian sales**, each transaction's inland transportation expense is calculated as below:

$$\text{Transportation [23]} = \text{Quantity sold [10]} \times \text{[REDACTED]}$$

Total port charges for the goods exported to Australia is VND [REDACTED] and the cost per unit MT of quantity sold is VND [REDACTED] (cell **F28**). In **B-2 Australian sales**, each transaction's port charge is calculated as below:

$$\text{Handling \& other [24]} = \text{Quantity sold [10]} \times \text{[REDACTED]}$$

4. If the delivery terms of the Australian sales includes ocean freight, how was the ocean freight cost calculated in the Australian sales listing in B-2?

Answer:

All Australian sales having delivery terms as CFR and CIF are listed in **Australian ocean freight** file, **Exhibit G-4.1 SG&A expenses**.

Based on the information of custom declaration number and bill of lading numbers, the accounting department keeps track of the exact ocean freight amount, in both USD and VND, incurring in each transaction. The ocean freight is allocated to the goods and other products based on the quantity sold in transaction by transaction basis. Therefore, each transaction has specific unit freight per MT as presented in column L of the file.

PUBLIC VERSION

In **B-2 Australian sales**, ocean freight in USD is calculated as below:

$$\text{Ocean freight [17]} = \text{Quantity sold [10]} \times \text{Specific unit freight per MT}$$

Ocean freight in VND is converted from USD using the specific exchange rate indicated in **Australian ocean freight file**.

5. If the delivery terms of the Australian sales includes marine insurance, how was the marine insurance calculated in the Australian sales listing in B-2?

Answer:

All Australian sales having delivery terms CIF are listed in **Australian marine insurance file, Exhibit G-4.1 SG&A expenses**.

Based on the information of custom declaration number and bill of lading numbers, the accounting department keeps track of the exact marine insurance fee, in both USD and VND, incurring in each transaction. The fee is allocated to the goods and other products based on the gross invoice value (USD) in transaction by transaction basis. Therefore, each transaction has specific unit insurance per 1 USD of invoice value as presented in column M of the file.

In **B-2 Australian sales**, marine insurance in USD is calculated as below:

$$\text{Marine insurance [18]} = \text{Gross inv. value [12]} \times \text{Specific unit insurance per 1 USD of inv. value}$$

Marine insurance fee in VND is converted from USD using the specific exchange rate indicated in **Australian marine insurance file**.

6. If the delivery terms of the Australian sales includes delivered duty paid, how were the Australian importation and delivery costs calculated in the Australian sales listing in B-2?

Answer:

All the delivery terms of the Australian sales do not include delivered duty paid.

E-4 Other direct selling expenses

1. Do you provide sales commissions for domestic sales of like goods and/or export sales of the goods? If yes, provide details.

Answer:

The Company provides sale commission for domestic sales of like goods and export sales of the goods. All the commission fees are recorded under account [REDACTED] (Costs of Sales commission).

2. Are there any differences in tax liability between domestic and export sales? If yes, provide details, for example:
- What is the rate of value-added tax (VAT) on sales of the goods and like goods?
 - How is VAT accounted for in your records in relation to sales of the goods and like goods?
 - Do you receive a VAT refund in relation to sales of the goods and/or like goods?
 - Do you receive a remission or drawback of import duties on inputs consumed in the productions of the goods or like goods?

Answer:

	Domestic	Export (Australia, third countries)
--	----------	-------------------------------------

PUBLIC VERSION

VAT of selling the goods	10%	0%
Accounting practice for VAT	Recorded into separated accounts: - 1331: Input VAT (VAT deductible) for domestic material - 33311: Output VAT	Recorded into separated accounts: - 1331: Input VAT (VAT deductible) for domestic material - 33312: VAT on imported goods
Selling price	Not included	
VAT refund and duty draw back	No VAT refund or duty draw back	

3. Are there any other direct selling expenses incurred by your company in relation to domestic sales of like goods?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

Answer:

There is no other direct selling expense incurred by SHVN in relation to domestic sales of like goods.

4. Are there any other direct selling expenses incurred by your company in relation to export sales of the goods to Australia?
- These direct selling expenses must be included in the reconciliation of direct selling expenses in B-5

Answer:

There is no other direct selling expense incurred by SHVN in relation to export sales of the goods to Australia.

E-5 Other adjustment claims

1. Are there any other adjustments required to ensure a fair comparison between the export price and the normal value (based on domestic sales, costs and/or third country sales)? If yes, provide details.
- An adjustment will only be made where there is evidence that the difference affects price comparability.
 - Refer to Chapter 15 of the *Dumping and Subsidy Manual (November 2018)* for more information.

Answer:

In worksheet **B-2 Australian sales** and **D-2 Domestic sales**, SHVN claims the adjustment of sale allowance. Sale allowance is recorded under account [REDACTED] for adjustment on total invoice value due to wrong price or defected products. Detailed ledger of account [REDACTED] is provided at **Exhibit E-5.1 Sale allowance**.

The allowances are allocated based on the quantity sold of the specific invoice. Please refer to question B-1.7 and D-1.6 for the detailed explanation about the allowances' natures.

SECTION F THIRD COUNTRY SALES

F-1 Third country sales process

1. Are your sales processes to any third country (i.e. exports to countries other than Australia) different to the sales process described in B-1.1? If yes, provide details of the differences.

Answer:

There is no differences in sales processes between exporting to Australia and exporting to third countries.

2. Are there any third country customers related to your company? If yes, please provide a list of each related customer and provide details on how the selling price is set.

Answer:

There are 02 Korean customers related to SHVN as below:

- [REDACTED]
- [REDACTED]

There is no difference in pricing policy applying to the above customers and other customers.

3. The invoice date will normally be taken to be the date of sale. If you are making a claim that a different date should be taken as the date of sale:
 - (a) What date are you claiming as the date of sale?
 - (b) Why does this date best reflects the material terms of sale?

Answer:

Customs declaration dates are taken to be the dates of sale in the Company's accounting practices. The practice is in accordance with Vietnamese law, specifically Circular no. 119/2014/TT-BTC, Article 3, point 7 as below:

"Commercial invoice. The day to determine revenue from export to calculate tax is the day on which customs procedure completion is confirmed on the customs declaration"

F-2 Third country sales listing

1. Complete the worksheet named "F-2 Third country sales"
 - This worksheet lists all export sales, summarised by country and customer, to third countries of like goods invoiced within the period.
 - If you have claimed in F-1.3 that the date of sale is one other than the invoice date, then add sales with your claimed date of sale.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

Worksheet named **F-2 Third country sales** is provided in the Excel file named **553_-exporter_questionnaire_vietnam - SHVN**.

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

Answer:

The listing was prepared based on **F-2** worksheet, **Sale report – POI** file, **Exhibit B-4.2 Reconciliation of sales to financial accounts**.

F-3 Differences in sales to third countries

1. Are there any differences in sales to third countries which may affect their comparison to export sales to Australia? If yes, provide details.

Answer:

There is no difference in sales to third countries which affects the comparison to export sales to Australia.

SECTION G COST TO MAKE AND SELL

G-1. Production process

1. Describe the production process for the goods and provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

Answer:

The production process of the goods and the flowchart of the process are provided at **Exhibit G-1.1 Production process**.

All the goods are produced in the specific facilities for steel strapping and there is no product manufactured in the facilities of steel strapping.

Scraps that results from producing the goods are steel scrap coded as "████████" in the stock keeping code unit. The production of the goods does not incur any by-products.

2. Are any of your suppliers related to your company (regardless of whether it is relevant to the manufacture of the goods)? If yes, please provide details including the product or services supplied by the related company.

Answer:

SHVN has only 02 related companies which supply steel material to produce the goods as below:

Supplier	Material	Country
████████	████████, ██████████, ██████████	████████
████████	████████	████████

The detailed information including quantity and value of material is provided at worksheet **G-7.4 Raw material purchases**.

G-2. Cost accounting practices

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

Answer:

The Company's cost accounting system is based on actual cost.

2. If your company uses standard costs:
 - (a) Were standard costs used as the basis of actual costs in your responses G-3.1 & G-5.1?
 - (b) Have all variances (i.e. differences between standard and actual production costs) been allocated to the goods?
 - (c) How were those variances allocated?
 - (d) Provide details of any significant or unusual cost variances that occurred during the period.

Answer:

The Company uses actual cost.

PUBLIC VERSION

3. Do you have different cost centres in your company's cost accounting system? If yes, list the cost centres, provide a description of each cost centre and the allocation methodology used in your accounting system.

Answer:

The Company maintains only 01 general cost centre for the whole company.

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

Answer:

The Company's cost accounting system records production costs for finished product. Regarding the goods, the costing system record productions cost for 05 models which are ■■■, ■■■, ■■■, ■■■ and ■■■ as mentioned in question C-2.1.

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

Answer:

There is no cost for management accounting purposes valued differently to financial accounting purpose.

6. Has your company engaged in any start-up operations in relation to the goods? If yes:
- (a) Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.
 - (b) State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation in its accounting records.

Answer:

The Company has not engaged in any start-up operations in relation to the goods.

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

Answer:

The Company uses weighted average method to evaluate raw material, work-in-process and finished goods inventories.

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

Answer:

Weighted average method is used to evaluate the value of damage or sub-standard goods generated at the various stages of production. In addition, please note that the production process of the goods does not generate any damaged or sub-standard goods.

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

Answer:

Scrap is evaluated using weight average method.

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

Answer:

There is no management fees / corporate allocation charged to SHVN by the parents or related companies.

G-3 Cost to make on domestic market

1. Complete the worksheet named "G-3 Domestic CTM".

- This worksheet lists the quarterly cost to make the domestic models of like goods by MCC manufactured within the period, even if they are models not exported to Australia.
- The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
- If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture like goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
- You must provide this list in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.
- If you have claimed in B-1.8 and/or D-1.7 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all domestic sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

Answer:

There is no difference in costing of the products sold in the domestic market and exported to Australia and third countries. SHVN does not keep track of which product is produced to sold in the domestic market or exported to other countries. Therefore, SHVN reports **G-3 Domestic CTM** and **G-5 Australian CTM** into 01 worksheet named **G-3 G-5 Cost to make**.

Worksheet named **G-3 G-5 Cost to make** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

- As described in question G-2.4, SHVN records production costs of 05 major models of the goods which are [REDACTED], [REDACTED], [REDACTED], [REDACTED] and [REDACTED]. The Company does not keep track the detailed production cost for each product specifications and the cost is allocated to all product based on the average selling prices. Therefore, the Company reported quarterly production cost of the goods by models.
 - MCC [1.2]: The formula is adjusted based on the Company's cost accounting practice. The MCC includes 03 parts which are steel base, steel base carbon content and product code (product model)
2. Provide a table listing the source of the data for each column of the "G-3 Domestic CTM" listing.

Answer:

G-3 G-5 Cost to make was prepared based on **Quarterly COP** worksheet, **CTM** file, **Exhibit G-8.2 Reconciliation of CTM to FS**.

G-4 Selling, General & Administration expenses

1. Complete the worksheet named "G-4.1 SG&A listing".
 - This worksheet lists all selling, general and administration expenses by account code for the most recent accounting period and the period.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

Worksheet named **G-4.1 SG&A listing** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

2. Complete the worksheet named "G-4.2 Domestic SG&A calculation".
 - This worksheet calculates the unit domestic SG&A for each MCC.
 - You must provide this list in electronic format using the template provided.
 - Please use the formulas provided.

Answer:

Worksheet named **G-4.2 Domestic SG&A calculation** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

G-5 Cost to make the goods exported to Australia

1. Complete the worksheet named "G-5 Australian CTM".
 - This worksheet lists the quarterly cost to make the Australian models of the goods under consideration by MCC manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold) for each MCC.
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the goods, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as 'other costs' if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.
 - If you have claimed in B-1.8 that the date of sale is one other than the invoice date, then provide the cost for the quarters that all Australian sales are made within your claimed date of sale, even if doing so means that such cost data predates the commencement of the period.

Answer:

As described in question G-3.1, **G-5 Australian CTM** and **G-3 Domestic CTM** was reported in the same worksheet named **G-3 G-5 Cost to make**.

2. Provide a table listing the source of the data for each column of the "G-5 Australian CTM" listing.

Answer:

G-3 G-5 Cost to make was prepared based on **Quarterly COP** worksheet, **CTM** file, **Exhibit G-8.2 Reconciliation of CTM to FS**.

G-6 Cost allocation methodology

1. What is the allocation methodology used to complete in G-3 domestic CTM and G-5 Australian CTM for:

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

Answer:

Raw material costs are recorded under account [REDACTED] (**Raw materials**). Direct labour costs are recorded under account [REDACTED] (**Direct labour costs**). Manufacturing overhead costs are recorded under account [REDACTED] (**Factory overhead costs**). Please note that indirect labour costs are recorded as a part of manufacturing overheads and specifically under sub-account [REDACTED] (**Costs of factory employees**). The detailed ledger reports of 03 accounts are provided at **Exhibit G-8.2 Reconciliation of CTM to FS**.

The accounting department monthly allocates raw material costs to all products produced including scrap based on total revenue in the month. Please refer to **Monthly COP** worksheet, **CTM** file, **Exhibit G-8.2 Reconciliation of CTM to FS**.

Quarterly cost of production reported in **G-3 G-5 Cost to make** is summarized from monthly cost of production in **Quarterly COP** worksheet. All steel strappings, which are the product under investigation, are grouped as "GUC".

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

Answer:

Total production quantity over the period of the goods is summarized in the below table:

Item ID	Item Name	Qty (MT)
[REDACTED]	Finished good - Steel strapping [REDACTED]	[REDACTED]
[REDACTED]	Finished good - Steel strapping [REDACTED]	[REDACTED]
[REDACTED]	Finished good - Steel strapping [REDACTED]	[REDACTED]
[REDACTED]	Finished good - Steel strapping [REDACTED]	[REDACTED]
[REDACTED]	Finished good - Steel strapping [REDACTED]	[REDACTED]

Therefore, [REDACTED] is chosen to be the sample to demonstrate the allocation methodology in **Exhibit G-6.2 Cost sample**.

G-7 Major raw material costs

1. What are the major raw materials used in the manufacture of the goods?

Answer:

The major raw materials used in the manufactured of the goods are steels reported in worksheet **G-7.4 Raw material purchases** listed as below:

- Steel material [REDACTED]
- Steel material [REDACTED]
- Steel material [REDACTED]
- Steel material [REDACTED]
- Steel material [REDACTED]

PUBLIC VERSION

2. Are any raw materials sourced as part of an integrated production process or from a subsidiary company which your company exercise control? If yes, complete the worksheet named “G-7.2 Raw material CTM” for these raw materials.
- This worksheet lists the quarterly cost to make the raw material manufactured within the period.
 - The costs must be based on actual cost of production (i.e. not standard costs or cost of goods sold).
 - If any imputation tax (e.g. value-added tax) is payable on the purchase of goods or services to manufacture the raw material, report the costs excluding the imputation tax. All other taxes payable (e.g. import duty) must be included as ‘other costs’ if not already included, for example, under material costs.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

SHVN does not have any subsidiaries.

3. Using the domestic cost data in “G-3 Domestic CTM” (use “G-5 Australian CTM” if you have no domestic production of like goods), calculate the weighted average percentage of each raw material cost (listed in G-7.1) as a proportion of total cost to make.

Answer:

During the period, total cost to make for all products is VND [REDACTED] and total cost to make for the goods is VND [REDACTED]. The weighted average percentage of each raw material cost is as below:

Co de	Raw material description	Quantity (MT)	Amount (VND)	% COP (All products)	% COP (The goods)
[REDACTED]	Steel material [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
[REDACTED]	Steel material [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
[REDACTED]	Steel material [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
[REDACTED]	Steel material [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%
[REDACTED]	Steel material [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]%	[REDACTED]%

4. For each raw material identified in G-7.3 which individually account for 10% or more of the total cost to make, complete the worksheet named “G-7.4 Raw material purchases”
- This worksheet lists all raw material purchases (i.e. transaction by transaction) purchased by your company within the period.
 - You must provide this list in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

The listing of purchase of Steel 1022, Steel CSP 400-HG and Steel 1015 is provided at **G-7.4 Raw material purchases in 553_-_exporter_questionnaire_vietnam – SHVN.**

5. Provide a table listing the source of the data for each column of the “G-7.4 Raw material purchases” listing.

Answer:

G-7.4 Raw material purchases was prepared based on 02 sources which are:

- **Detailed ledger - Acc 152** provided in **Exhibit G-8.2 Reconciliation of CTM to FS**
- Hard copy of purchase documents which are purchase invoices and purchase payment vouchers.

PUBLIC VERSION

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

Answer:

The invoices and the reconciliation demonstrations are provided at **Exhibit G-7.6 Raw material purchase**.

7. Are any of the suppliers in “G-7.4 Raw material purchases” listing related to your company? If yes, please provide details on how the price is set.

Answer:

There is 01 supplier in **G-7.4 Raw material purchased** listing related to the Company, The material purchase price is negotiated in each time of purchase.

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

1. Please complete the worksheet named “G-8 Upwards costs” to demonstrate that the cost listings in G-3 and G-5 are complete.
 - You must provide this list in electronic format using the template provided.
 - Please use the currency that your accounts are kept in.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

Worksheet named **G-8 Upwards costs** is provided in the Excel file named **553_-_exporter_questionnaire_vietnam - SHVN**.

2. Please provide any documents, other than those in A-4, G-3 and G-5, required to complete the “G-8 Upwards costs” worksheet.

Answer:

All the documents required to complete G-8 Upwards costs are provided at **Exhibit G-8.2 Reconciliation of CTM to FS**.

3. For any amount that is hard coded (i.e. not a formula), please cross-reference by providing:
 - the name of the source document, including the relevant page number, in column D of the worksheet; and
 - highlight or annotate the amount shown in the source document.

Answer:

The detailed of the source documents are indicated in column F (source document) of **G-8 Upwards costs**. The amounts shown in the source document are highlighted accordingly.

G-9 Capacity Utilisation

4. Please complete the worksheet named “G-9 Capacity Utilisation”.
 - You must provide this list in electronic format using the template provided.

PUBLIC VERSION

- If you have used formulas to complete this worksheet, these formulas must be retained.

Answer:

Worksheet named **G-8 Upwards costs** is provided in the Excel file named **553_-
_exporter_questionnaire_vietnam - SHVN**.

Production capacity is calculated using the following formula:

$$\text{Production capacity} = \text{■} \times \frac{\text{Number of working days}}{365}$$

In which:

- ■ MT is the production maximum capacity per year as stated in Certification of Completion of environmental protection works issued by Dong Nai People's Committee;
- Number of working days is the total of working day a year not including Saturday, Sunday and Public Holiday

Both the certification and the counting of working day number are provided at Exhibit G-9.4 Capacity Utilisation.

SECTION H PARTICULAR MARKET SITUATION

The applicant has claimed that the situation in the market of the country of export is such that sales in that market are not suitable for use in determining normal value. The information provided in sections H, I J and K will assist the Commission to better understand the Vietnamese and Australian markets and to assess whether sales in the Vietnamese market are suitable for determining a normal value.

H-1 Reporting requirements

1. Describe generally all interaction that your business has with the Government of Vietnam at all levels, including (but not limited to):
 - (a) reporting requirements;
 - (b) payment of taxes;
 - (c) senior management representation within your business;
 - (d) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions);
 - (e) licensing;
 - (f) restrictions on land use;
 - (g) provision of loans; or
 - (h) provision of grants, awards or other funds.

Answer:

- (a) All the reporting requirements are indicated in the below table:

No	Report	Reporting period	Tax office	Statistic office	Dong Nai Industrial Zone Authority	Financial department	Department of planning and investment
1	Value added tax	Monthly	✓				
2	Personal income tax	Monthly	✓				
3	Statistic	Monthly		✓	✓		
4	Foreign contractor tax	Each time arising	✓				
5	Invoice using	Quarterly	✓				
6	Company income tax finalization	Yearly	✓				
7	Personal income tax finalization	Yearly	✓				
8	Financial report	Yearly	✓				
9	Audited financial statements	Yearly	✓	✓	✓	✓	✓
10	Investigation on enterprise	Yearly		✓			

- (b) SHVN must pay the following tax to tax authorities:

- Value Added Tax;
- Company Income Tax;
- License Tax;
- Foreign Contractor Tax;
- Import Tax;
- Other taxes: via bank payment order

PUBLIC VERSION

- (c) The Government of Vietnam does not have any senior management representation within SHVN.
- (d) The Government of Vietnam does not have any approval nor negotiation of SHVN's business decisions including investment, management, pricing, production and sales decisions.
- (e) SHVN's registration certificate is issued by Department of Planning and Investment Dong Nai province, Office of Business Registration.

SHVN's investment certificate is issued by Dong Nai Industrial Zone Authority

- (f) SHVN leases land of [REDACTED] at the market price.
- (g) SHVN have loans from the following parties:

Lender	Contract/agreement number	Interest rate	SIE/SOE
[REDACTED]	[REDACTED]	[REDACTED]	No
[REDACTED]	[REDACTED]	[REDACTED]	No
[REDACTED]	[REDACTED]	[REDACTED]	SOE

[REDACTED] is state-owned bank having [REDACTED]% shareholdings from State Bank of Vietnam. The agreement signed between [REDACTED] and SHVN is normal credit loan agreement without any incentives provided to SHVN. Please refer to **Exhibit H-1.1.g Vietcombank credit loan agreement**.

Please note that the interest rate is [REDACTED]/year and higher than the loan interest rate from [REDACTED]. The interest rate from [REDACTED] is $\text{libor 3M} + [REDACTED]\%/Y$, which was [REDACTED]/year as highlighted in page 34 of **Exhibit E-1.2 Short term borrowing contract (USD)**.

- (h) There is no grant, award nor any other funds granted by the Government of Vietnam to SHVN.

H-2 Business structure, ownership and management

1. Indicate whether your company is a state-owned or state-invested enterprise (SIE)
 - A state-owned enterprise refers to any company or enterprise that is wholly or partially owned by the Government of Vietnam (either through direct ownership or through association).

Answer:

SHVN is a limited liability company established in Vietnam. All its' shareholders, which are Sam Hwan Steel Co., Ltd and [REDACTED], are not wholly or partially owned by the Government of Vietnam. Therefore, SHVN is not a state-owned enterprise nor state-invested enterprise.

2. List the Board of Directors and Board of Shareholders of your business and all other entities/businesses your business is related to.

Answer:

The list of Board of Directors of SHVN is provided at **Exhibit A-2.4 Board of directors**. The Board of Shareholders of SHVN is provided at **Exhibit A-2.6 List of principal shareholders**.

The list of shareholders and directors of all SHVN's related entities is provided at **Exhibit H-2.2 Related entities' shareholders and directors**

3. Indicate the names of common directors and officers between your business and related businesses, where applicable.

Answer:

The common directors and officers between SHVN and its' related businesses are:

Name	Is the director of "... Co., Ltd"			

4. Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders representatives, employees, or otherwise affiliated with the Government of Vietnam (at any level, from any agency, party, or otherwise associated entity)? If yes, identify the individuals, their role on that Board and their affiliation with the Government of Vietnam.

Answer:

All members of SHVN's Board of directors and Board of shareholders are not representative, employee or affiliated with the Government of Vietnam.

5. Does your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders have a representative from the Government of Vietnam? If yes, identify their name and title and indicate their position at the board level.

Answer:

SHVN's Board of directors and Board of shareholders do not have any representatives from the Government of Vietnam.

6. Are any members of your business' (and/or all other entities your business is related to) Board of Directors or Board of Shareholders appointed, managed or recommended by the Government of Vietnam? If yes, identify any relevant government department(s) they are affiliated with.

Answer:

No member of SHVN's Board of directors or Board of shareholders is appointed, managed or recommended by the Government of Vietnam.

7. Indicate who owns what percentage of all shares in your business and identify whether they are:
- an affiliate, representative, agency or otherwise representative of the Government of Vietnam;
 - employees of your business;
 - foreign investors; or
 - other (please specify).

Answer:

All shareholders of SHVN is presented in the below table:

Name	Percentage of shareholding	Description
	%	
	%	

8. Provide the details of any significant changes in the ownership structure of your business during the period.

Answer:

PUBLIC VERSION

There is no change in the ownership structure of SHVN during the period.

9. Identify any positions within your business that are appointments or designated to act on behalf of Government of Vietnam authorities.

Answer:

No position within SHVN is appointed nor designated to act on behalf of the Government of Vietnam authorities.

10. Explain whether there are requirements in law and in practice to have government representation at any level of your business. If there is such a requirement, explain the role of government representatives appointed to any level of your business.

Answer:

SHVN is a limited liability enterprise and does not have any investment from the Government of Vietnam or the Government authorities. Therefore, the Company is not applied any laws on having government representation at any level of the business.

SHVN does not have any practices on having the Government representation at any level of its business.

11. If your business is a publicly traded company, what are the rules regarding the issuance of shares by your business? Identify any stock exchanges on which your business is listed.

Answer:

SHVN is a limited liability enterprise and it is not listed in any stock exchanges.

12. Provide the monthly trading volume and average monthly trading price of your listed security over the period.

Answer:

As answered in question H-2.11, SHVN is not listed in any stock exchanges. Therefore, this question is not applicable.

13. Who has the ability to reward, fire or discipline your business' senior managers?

Answer:

Only the chairman of board of directors (██████████) and the general director (██████████) have the ability to reward, fire or discipline SHVN's business senior managers.

14. Do any of your company's senior managers hold positions in any Government of Vietnam departments or organisations, associations or Chambers of Commerce? If yes, describe the nature of these positions.

Answer:

SHVN does not have any senior managers who holds positions in any the Government of Vietnam departments nor organisations, associations nor Chambers of Commerce.

15. Provide the names and positions of your company's pricing committee.

Answer:

SHVN does not have any pricing committees.

H-3 Licensing

1. Provide a copy of your business license(s).

Answer:

All the business licenses which have been issued since the Company was established are provided at **Exhibit H-3.1 Business licenses**.

2. Identify the Government of Vietnam departments or offices responsible for issuing the license(s).

Answer:

Business Registration Office of Planning and Investment Department of Dong Nai province is responsible for issuing the licenses.

3. Describe the procedures involved in applying for the license(s).

Answer:

SHVN was firstly register on 08 November 2007 under the regulation of Decree no. 88/2006/ND-CP. The decree is provided as **Decree no. 88 2006 ND-CP** in the folder of **Exhibit H-3.3 Business license application procedure**.

The procedure involved in registration of multi-member limited liability enterprises, which is the first license of the Company, is as below:

- Application for registration of multi-member limited liability companies (Article 15);
- Receipt of business registration dossier (Article 19);
- Time limit for issuing certificate of enterprise registration (Article 20);
- Issuance of certificate of enterprise registration (Article 21);
- Provision of information on business registration contents (Article 22);

From 08 November 2007 to 31 Dec 2019, the Company registered of change on 25 Apr 2017 and 22 Mar 2018 under the regulation of Decree 78/2018/ND-CP. The decree is provided as **Decree no. 78 2015 ND-CP** in the folder of **Exhibit H-3.3 Business license application procedure**.

The procedure involved in registration of all type of changes of enterprise registration information, is as below:

- Registration of relocation of headquarters address (Article 40);
- Registration of change of enterprise's name (Article 41);
- Registration of replacement of legal representatives of multi-member limited liability companies (Article 43);
- Registration of change of charter capital or capital contribution (stake) ratio (Article 44);
- Registration of changes of members of multi-member limited liability company (Article 45);
- Notification of addition/change of business lines (Article 49);
- Publishing of enterprise registration information (Article 45).

All the mentioned articles are highlighted in yellow in the exhibit.

4. Describe any requirements or conditions that must be met in order to obtain the license(s).

Answer:

All requirements and conditions that must be met in order to obtain the licenses are describe in detail in the article mentioned in question H-3.4.

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5. Describe and explain any restrictions imposed on your business by the business license(s).

Answer:

There is no restriction imposed on SHVN business by the business licenses.

6. Describe any sanctions imposed on your business if you act outside the scope of your business license(s).

Answer:

The sanctions imposed on any business acting outside the scope of the business license is regulated in Clause 2 Article 6 of Decree no. 185/2013/ND-CP:

“A fine of between VND 1,000,000 and 5,000,000 shall be imposed on business acts which do not comply with branches, categories of products, and locations of business as stated in the business registration certificate.”

7. Describe and explain any rights or benefits conferred to your business under the license(s).

Answer:

Rights and benefits conferred to SHVN is regulated under Article 2 of Investment Certificate dated 24 Apr 2018 as below:

- The tax rate for corporate income tax is 15% for 12 years since the starting date of corporation. After the incentive period, the tax rate for corporate income tax is the normal tax rate.
- Tax exemption for 03 years from the first year of assessable income (2010-2012) and reduction of 50% of tax payable for the next 07 years (2013-2019).

The investment certificate is provided at **Exhibit H-3.7 Investment certificate dated 24.04.2018**.

8. Describe the circumstances under which your business license(s) can be revoked, and who has the authority to revoke the license(s).

Answer:

Under the regulation of Decree no. 78/2015/ND-CP Article 62, Business license can be revoked under the following circumstances:

Law no. 68/2014/QH13 (Law on enterprises)

- The information provided in the application for enterprise registration is false;
- The enterprise is established by persons banned from enterprise establishment as prescribed in Clause 2 Article 18 of the law;
- The enterprise's business operation is suspended for 01 year without notifying the business registration authority and tax authority;
- The enterprise fails to submit reports as prescribed in Point c Clause 1 Article 209 of the law (Law on enterprises) to the business registration authority within 06 months from the deadline or from the receipt of a written request;
- Other cases decided by the Court;

Law no. 21/2012/QH13 (Amending and supplementing a number of articles of the law on tax administration)

- The enterprise is under the measure for enforcing the administrative decisions on taxation;

All the related articles are highlighted in

- Decree no. 78/2015/ND-CP is provided in **Exhibit H-3.3 Business license application procedure**;
- Law no. 68/2014/QH13 and Law no. 21/2012/QH13 are provided in **Exhibit H-3.7 Revocation of business license**.

H-4 Decision-making, planning and reporting

1. Provide a description of your business' decision-making structure in general and in respect of the goods. This should identify the persons or bodies primarily responsible for deciding:
 - a. what goods are produced;
 - b. how the goods are produced;
 - c. how levels of inputs such as raw materials, labour and energy are set and secured;
 - d. how the use of your outputs, such as product mix, is determined; and
 - e. how your business' profit is distributed.

Answer:

- (a) [REDACTED], who is Production Director, is responsible for deciding what goods are produced and how the goods are produced.
- (b) The flowchart describing how the goods are produced is provided at **Exhibit H-4.1.b Production flowchart**.
- (c) Raw materials, for production of both the product under investigation and all other products of SHVN, are kept in the inventory for materials and divided into 02 classes which are:
 - Raw materials: [REDACTED].
 - Sub materials: [REDACTED].SHVN's labours are categorised into 02 classes which are direct labour and indirect labour.

SHVN uses electric, water, diesel oil, gas to produce its products including the product under investigation and other products.
- (d) SHVN does not have any product mix. The use of its output is determined on the order and the demand of the markets.
- (e) SHVN's business profit is mostly from selling its products and merchandises. Financial profit and other profits percentages are ■% (2019) and ■% (the period) of accounting profit.

2. Provide a description of any Government of Vietnam input into the decision-making process respecting your manufacture, marketing and sale of the goods.

Answer:

The Government of Vietnam does not have any input into the decision-making process respecting SHVN's manufacture, marketing and sale of the goods.

3. Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of the goods.

Answer:

There is no government department nor office that is involved, either directly or indirectly, in SHVN's manufacture, sale or purchase of the goods.

4. List and describe all reports that must be submitted to the Government of Vietnam periodically by your company, and identify the government department/office where each report is filed.

Answer:

All the submitted to the Government of Vietnam is indicated in the answer for question H-1.1.a.

5. Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the period.

Answer:

During the period, the Board of Directors held 02 meetings of:

- Appointment of Director and Chairman of the Board of Directors on 02 February 2019;
- Approval of application for contract of credit line granted by [REDACTED] on 02 November 2019.

The meeting minutes are provided at **Exhibit H-4.5 Board of director meeting minutes**.

6. Provide copies of the notes to company meetings where pricing decisions on the goods under consideration have been made over the period.

Answer:

During the period, there was no company meeting where pricing decisions on the goods under consideration were made.

H-5 Financial and investment activities

1. Is your business debt funded? If yes, provide a list of all major lenders.

Answer:

Yes, SHVN's is debt funded. The list of all major lenders provided at **Exhibit H-5.1 List of all major lenders**. Please note that the list is also indicated in the answer for question H-1.1.g.

2. What is the rate of interest paid by your business on all debt instruments over the last 5 years?

Answer:

All debt instruments and the interest rates are indicated in **Exhibit H-5.1 List of all major lenders**. Please note that the listing is also indicated in the answer for question H-1.1.g.

3. Has your business benefited from any concessional interest rates for your loans/debts in the last 5 years? If yes, provide details.

Answer:

SHVN did not benefited from any concessional interest rates for its loans/debts in the last 5 years.

4. Has your business raised any capital using issuance of shares, preferential shares, rights issue, bonds, warrants, debentures, sub-ordinate loans or any other debt and/or equity instruments in the last 5 years? If yes:
 - a. explain what instruments were used;
 - b. identify the type (e.g. government guarantee) and provider of the security; and
 - c. explain the reasons for raising the capital.

Answer:

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SHVN is a multi-member limited liability company. The Company did not raise any capital using issuance of shares, preferential shares, rights issue, bonds, warrants, debentures, sub-ordinate loans, any other debts nor equity instruments in the last 05 years.

5. Does your business have policies on how cash reserves are to be invested? If yes, provide details.

Answer:

SHVN does not have any policies on how cash reverses are to be invested.

6. Has your business invested in either government or non-government debt securities (such as bonds, quasi-government bonds)? If yes, provide details (e.g. type of instrument, amount invested and the expected rate of return).

Answer:

SHVN did not invest in any debt securities, neither government nor non-government.

H-6 Government policy on the industry

1. Are there any Government of Vietnam opinions, directives, decrees, promulgations, measures, etc. concerning the industry of the goods that were put in place or operating during the period? If yes, please provide:
- (a) copy of the documentation and a translation in English;
 - (b) documentation concerning the Government of Vietnam or any association of the Government of Vietnam's notification of the measures concerning the goods to your company during the period.

Answer:

There is no opinion, directive, decree, promulgation, nor measure of the Government of Vietnam concerning the industry of the goods that was put in place or operated during the period.

2. Provide information concerning the name of any Government of Vietnam departments, bureaus or agencies responsible for the administration of all Government of Vietnam measures concerning the industry of the goods in the regions, provinces or special economic zones where your company is located, including contact information regarding the following areas:
- industrial policy and guidance on the industry;
 - market entry criteria for the industry;
 - environmental enforcement for the industry;
 - management of land utilisation;
 - investigation and inspection of expansion facilities;
 - import licensing for raw materials relating to the goods under consideration.

Answer:

There is no Government of Vietnam department, bureau nor agency responsible for the administration of the Government of Vietnam measures concerning the industry of the goods, neither in regions, provinces nor economic zones in Vietnam.

3. Describe any role your company plays in the development of government's industrial plans and/or policies at all levels of government. For example, does your company provide information for, or request inclusion in, any plans, policies, or measures?

Answer:

SHVN does not have any roles in the development of government's industrial plans nor policies at all levels of government.

4. Does your company provide information relating to assessments of the implementation of the plan, policy or measure?

Answer:

SHVN does not provide information relating to assessment of the implementation of the plan, policy nor measure.

5. Has the Government of Vietnam recognised your company and/or industry as one of priority (for example, designated as a “pillar,” “encouraged,” or “honourable” company and/or industry?). If yes, please answer the following questions.
- (a) Explain the purpose of these designations, the criteria for receiving any such designation, and the benefits or obligations that arise from each such designation.
 - (b) Is there any connection between these designations and five-year plans or other industrial and/or economic policies or administrative measures?
 - (c) Describe any instances in which your company cited Government of Vietnam plans, policies, or measures as support for receiving the financing that you report.

Answer:

The Government of Vietnam does not recognise SHVN nor the industry as one of priority.

6. How has the Government of Vietnam’s *Steel Master Plan* or *Industrial Development Strategy* impacted on your business and how do you ensure compliance with this policy?

Answer:

Vietnam’s Steel Master Plan (Decision no. 145/2007/QD-TTg) expired under the regulation of Article 3 Decision no. 694/QD-BCT. The 02 decisions provided in **Exhibit H-6.6 Government policies**.

Industrial Development Strategy (Decision no. 879/QD-TTg) is provided in **Exhibit H-6.6 Government policies**.

There is no impact on SHVN’s business from the plan and the strategy.

H-7 Taxation

1. Were there any export taxes on the exports of the goods during the period?

Answer:

There is no export tax on the exports of the goods during the period.

Please refer to Exhibit H-7.1 Export tax of the goods, which includes:

- Decree no. 125/2017/ND-CP: Amendments to certain articles of Decree 122/2016/ND-CP on export duty schedule [...];
- A sample of Vietnamese custom declaration: Export tax amount is VND 0.00 as highlighted in page 1 of the custom declaration no. 303013063310;

2. What was the value-added tax rebate applicable to exports of the goods during the period?

Answer:

During the period, exported goods including steel strapping are subject to the VAT tax rate of 0% under the regulations of Article 8 of the Law on Valued Added Tax No 13/2008/QH12 and Article

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1.3 of the Law on Amendments to the Law on Value Added Tax No 31/2013/QH13 dated June 19, 2013. The laws are provided in

Vietnam's VAT law and regulation do not provide any VAT export rebate rates.

3. Have there been any changes to the value-added tax rebate applicable to exports of the goods in the last 5 years? If yes, provide:
 - (a) a detailed chronological history of the value-added tax rebate rates;
 - (b) products affected;
 - (c) the effective dates of the rate changes;
 - (d) fully translated copies of any Government of Vietnam notices regarding these changes, including the relevant appendices.

Answer:

There is no value-added tax rebate applicable to exports of the goods in the last 05 years.

4. Are you aware of any tax changes being planned that would impact the industry?

Answer:

SHVN is not aware of any tax changes being planned that would impact the industry.

H-8 Sales Terms

1. Identify the person who authorises the sales terms, prices and other contract provisions for the sale of the goods by your business.

Answer:

- For export sales: Deputy general director is responsible for authorising sales terms, prices and other contract provisions;
- For domestic sales: General director is responsible for authorising sales terms, prices and other contract provisions.

2. Explain how the selling prices of the goods under consideration by your business are determined, including any Government of Vietnam involvement in your business' pricing decisions, and indicate if the goods are subject to Government of Vietnam direct or indirect pricing or government guidance pricing.

Answer:

The selling prices of the goods under consideration are determined based on the purchase price of raw material. The determination does not include any Government of Vietnam involvement nor guidance.

3. Does your business coordinate the selling prices or supply of the goods with other domestic producers or any Government of Vietnam departments? If yes, provide details.

Answer:

SHVN does not coordinate the selling prices nor supply of the goods with other domestic producers nor any Government of Vietnam departments.

4. Explain whether your business provides information or data to the Government of Vietnam, other government officials or commercial/industry organisations, including those outside of Vietnam, which report on the industry.

Answer:

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SHVN does not prepare any reports on the industry to submit to the Government of Vietnam, any other government officials nor commercial/industry organisations, including those outside of Vietnam.

5. Explain whether your business provides price data to any other person at any level of government.

Answer:

SHVN does not provide price data to any other person at any level of government.

H-9 Industry associations

1. Is your business a member of any business or industry associations? If yes, explain your business' relationship with the association and the involvement of the Government of Vietnam with the associations.

Answer:

SHVN is not a member of any business nor industry associations.

2. If your business is a member of an industry association, indicate whether this membership is voluntary or compulsory. Explain the functions that the association provides for your business. Explain in detail the role of the association with respect to the directives as provided by the Government of Vietnam concerning the industry.

Answer:

SHVN is not a member of any business nor industry associations.

H-10 Statistics submission/recording

1. Indicate if your business makes submissions to the General Statistics Office of Vietnam and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.

Answer:

SHVN submits **Report on foreign direct investment operation** (form no. 01-CS/DTNN) to Department of Statistic of Dong Nai, Department of Planning and Investment of Dong Nai and The Management Board of Nhon Trach V industrial zone.

The submission is under the regulation of Circular no. 04/2011/TT-BKHDT which applies to all state-owned enterprises, enterprises and projects with foreign direct investment. The circular is provided at **Exhibit H-10.1 Circular no 04 11 TT-BKHDT**.

Please refer to **Exhibit H-10.2 Statistic report for December 2019** for the type of information submitted.

2. Provide a recent example of a submission that has been made to the General Statistics Office of Vietnam and/or any other government organisation. For example, monthly data relating to sales, production and costs.

Answer:

Please refer to **Exhibit H-10.2 Statistic report for December 2019**.

3. Do the organisations approve or assess your submission? If yes, provide a detailed explanation.

Answer:

The departments mentioned in the answer for question H-10.1 do not approve or assess the submission.

4. Do the organisations provide feedback on your submission? If yes, provide a detailed explanation.

Answer:

The departments mentioned in the answer for question H-10.1 do not provide any feedback on the submission.

H-11 Production/output

1. Is any part of your production subject to any national/regional industrial policy or guidance? If yes, provide details including a background of the policy/guidance and explain any restriction imposed by the policy/guidance. To what extent are any of the policies/guidelines applicable to your business?

Answer:

There is no part of SHVN's production which subjects to any national/regional industrial policy or guidance.

2. Where applicable, how did your business respond to the policies/guidelines?

Answer:

There is no part of SHVN's production which subjects to any national/regional industrial policy or guidance. Therefore, the question is not applicable.

3. Provide details regarding any other restrictions (e.g., geographic/regional, downstream, use, etc.) to the sale of the goods and/or like goods that may be imposed by the Government of Vietnam.

Answer:

There is no restriction imposed by the Government of Vietnam to the sale of the goods and like goods.

4. Provide a list of all your domestic customers of the like goods, include the location (city and province) of the customer and indicate whether each customer is an SIE.

Answer:

There is no restriction imposed by the Government of Vietnam to the sale of the goods and like goods.

5. Are there any restrictions and/or conditions in relation to the quality or quantity of the production of the goods placed upon your business? If yes, provide details.

Answer:

There is no restriction nor condition in relation to the quality and quantity of the production of the goods placed upon SHVN's business.

6. Does your business require an export licence? If yes, provide details.

Answer:

Because Investment certificate dated 24 Apr 2018, which is provided at **Exhibit H-3.7 Investment certificate dated 24.04.2018**, states that SHVN has the right to export and import steel seals and clamping materials (HS code 7211299), wooden pallet packing steel straps and PET straps (HS code 441520) and strapping machine (HS code 8205590), SHVN's business does not require any export licences.

7. Are the goods sold by your business subject to any export restrictions and/or limits during the previous 5 years? If yes, provide details.

Answer:

The goods sold by SHVN are not subjected to any export restrictions nor limits during the previous 5 years.

8. Provide details regarding any other restrictions (e.g., geographic/regional, downstream, end use) placed upon your business on the sale of the goods.

Answer:

There is no other restriction placed upon SHVN's business on the sale of the goods.

9. Have there been any changes to your production capacity over the last 5 years? If yes, provide details.

Answer:

There was no significant change to the production capacity over the last 5 years. As presented in G-9 Capacity Utilisation, production capacity is calculated based on the maximum production quantity, which is [REDACTED] MT/year, and the number of working day. Therefore, the differences in production capacity among the years come from the differences in the numbers of working day.

10. Does your business benefit from any concession on the purchase of any utility services (e.g. electricity, gas, etc.)? If yes explain the nature and the amount of the concession?

Answer:

SHVN's business does not benefit from any concession on the purchase of any utility services.

H-12 Sales price

1. Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of Vietnam during the period.

Answer:

SHVN's business has been not subjected to any direct nor indirect price guidance nor controls by the Government of Vietnam during the period.

2. Explain whether your business has been subjected to any direct or indirect price guidance or controls by the Government of Vietnam during the period, with respect to raw material inputs.

Answer:

SHVN's raw material inputs have been not subjected to any direct nor indirect price guidance nor controls by the Government of Vietnam during the period.

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3. Explain whether your business has encountered any price guidance or controls established by regional or provincial officials and/or organisations.

Answer:

SHVN's business has not encountered any price guidance nor controls established by regional/provincial officials/organisations.

4. Describe in detail how the selling price of the goods is determined. In particular, provide details of any restrictions, limitations, or other considerations imposed on your business.

Answer:

There is no restriction, limitation nor other consideration imposed on SHVN's business. The selling price of the goods is negotiated on transaction by transaction basis by SHVN and its customers.

5. Which organisation/business entity do you consider as the price leader of the goods?

Answer:

SHVN is not aware of any organisation nor business being the price leader of the goods in Vietnam nor other countries and the Company does not consider any organisation nor business as the price leader of the goods. SHVN's selling prices are negotiated between SHVN and its customers.

6. Does your business have a pricing committee in respect of the goods? If yes, provide the names and positions of all members of the committee.

Answer:

SHVN does not have any pricing committee in respect of all products sold including the goods.

7. How often does the pricing committee meet to discuss selling prices of the goods? Provide the minutes or any other relevant documents of all meetings of the pricing committee during the period.

Answer:

SHVN does not have any pricing committee in respect of all products sold including the goods. Therefore, the question is not applicable.

8. Identify the person who authorises the sales terms, prices and other contract provisions for the sale of the goods by your business.

Answer:

As indicated in the answer for question H-8.1, the authorised persons are:

- Deputy general director for export sales;
- General director for domestic sales.

9. If you have production facilities of the goods in more than one region and/or province, are the laws and regulations in each region the same with respect to pricing of the goods? If no, provide details on the differences.

Answer:

All SHVN's production facilities of the goods are in one province which is Dong Nai province.

H-13 Adding capacity and/or joint ventures

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1. Provide a detailed explanation with respect to the government approval process on adding capacity and/or joint ventures in relation to your business.

Answer:

SHVN has the full rights to adding capacity or joint ventures in relation to its business. There is no approval process applicable.

2. Does the government have the right to request modifications in the terms of adding capacity and/or joint ventures? If yes, provide a detailed explanation.

Answer:

The government has no right to request modifications in the terms of adding capacity nor joint ventures.

H-14 Raw materials

1. Are any of the suppliers related or affiliated with you? If yes, provide details.

Answer:

The list of major suppliers, which includes the information of if the supplier is related or affiliated with SHVN, is provided at **Exhibit H-14.1 List of suppliers**.

2. Do you purchase from State Invested Enterprises? If yes, provide a details.

Answer:

The list of major suppliers, which includes the information of if the supplier is state invested enterprise or not, is provided at **Exhibit H-14.1 List of suppliers**.

3. If your supplier is based outside Vietnam, what import duty rate is applied on the raw materials?

Answer:

The raw material imported by SHVN is subjected to exemption of duties on goods imported for manufacture of domestic exports which is regulated in Article 12 Decree 134/2016/ND-CP. The decree is provided at **Exhibit H-14.3 Decree 134 2016 ND-CP**.

4. Is there a price difference in purchase price for raw materials between your suppliers? If yes, provide a detailed explanation.

Answer:

There is no significant difference in purchase price of raw materials between SHVN's suppliers.

5. Describe in detail your business' purchase procedures of the raw materials, the considerations in selecting a supplier and how the price of the raw materials is determined between you and your suppliers. If it is by tenders, provide details of the criteria/conditions.

Answer:

- SHVN prefers to purchase steel material from [REDACTED] to maintain the quality of the goods. Only a few times were the materials purchased from the other suppliers because of the short on [REDACTED] supplies.
- The purchase procedure is as below:

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- The Production department checks the requirement of material such as size, grade, etc, and report the information to the Purchase department;
 - The Purchase department informs the supplier about the quantity and quality of the materials;
 - The 02 parties, which are SHVN and its supplier, negotiate the material price;
 - Whenever the material price is negotiated, an purchase order or a contract is made and signed between the 02 parties;
 - The Purchase department is responsible for tracking of material delivery in accordance with the purchase term;
 - The Accounting department is responsible for making payment to the supplier under the approval of General director;
- All the purchase prices were negotiated between SHVN and its suppliers, no tender involves in the purchase procedure.
6. If any of your raw materials for the goods and/or like goods are imported by your business, or related businesses:
- a. Provide details including a description of the raw material imported, the supplier and country of origin.
 - b. Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).
 - c. Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).
 - d. Are you eligible for a duty drawback? If yes, provide details.

Answer:

- a. During the period, SHVN imported [REDACTED] MT of Steel [REDACTED] from an unrelated supplier which is [REDACTED] ([REDACTED]) in custom declaration no. [REDACTED]. The description of the material is indicated in **Exhibit H-14.6.a Invoice [REDACTED]**.
 - b. SHVN's import process follow the regulation of Section 5 Decree no. 85/2015/ND-CP, specifically as below:
 - Custom declaration (Article 25);
 - Receipt, examination, registration and handling of customs declarations (Article 26);
 - Examination of customs documentation (Article 27);
 - Customs examination to be conducted in the course of handling commodities at seaports and airports (Article 28);
 - Physical verification (Article 29);
 - Handling of the result of customs examination (Article 30);
 - Collection and payment of fees incurred from customs procedures (Article 31);
 - Customs release and clearance (Article 32).

All the above articles are highlighted in **Exhibit H-14.6.b Decree 08 2015 ND-CP**.
 - c. The conditions to importing the material are indicated in the Clause 2 Article 1 of Investment certificate dated 24 April 2018. The certificate was provided at **Exhibit H-3.7 Investment certificate dated 24.04.2018**.
 - d. SHVN is not eligible for any duty drawback regulated in Article 33, Article 34, Article 35 and Article 37 of **Exhibit H-14.3 Decree 134 2016 ND-CP**.
7. Do you, or a business associated with you, sell any of the raw materials used to manufacture the goods and/or like goods, or sell the semi-processed goods?
- a. Please provide a description of the raw material or semi-processed goods which are sold, including whether they are domestic or export transactions, to related or unrelated parties, and how the selling price is determined.
 - b. If there is a difference in selling prices between related and unrelated parties, please provide reasons as to why.

Answer:

- a. During the period, SHVN exported steel material [REDACTED], which is used to manufacture [REDACTED], to [REDACTED], specifically [REDACTED] MT to [REDACTED] and [REDACTED] MT to [REDACTED]. Both 02 parties are related to SHVN as indicated in **Exhibit H-2.2 Related entities' shareholders and directors**. The selling price is determined based on the purchase price of the material.
- b. SHVN did not sell the material to any unrelated parties. Therefore, the question is not applicable.

SECTION I VIETNAMESE MARKET

I-1 Prevailing conditions of competition in the Vietnamese market

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

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

Answer:

SHVN has never done any research on the market in Vietnam. Therefore, the Company is not aware of the market's main characteristics and trends over the past five years.

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

Answer:

As described in the question H-1.1.a, SHVN has never done any research on the market in Vietnam. Therefore, the Company is not aware of sources of demand for the goods in Vietnam.

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

Answer:

As described in the question H-1.1.b, SHVN is not aware of sources of demand for the goods in Vietnam. Therefore, the Company is unable to provide the required estimated proportion.

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

Answer:

As described in the question H-1.1.a, SHVN has never done any research on the market in Vietnam. Therefore, the Company is not aware of factors that influence consumption/demand variability in Vietnam.

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

Answer:

As described in the question H-1.1.a, SHVN has never done any research on the market. Therefore, the Company is unable to describe the exact market segmentations in Vietnam.

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

Answer:

Because SHVN is not aware of the market segments in Vietnam, it is unable to provide the requested estimated proportion.

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

Answer:

Because SHVN has not done any research on the Vietnamese market, it is unable to fully describe the way in which Vietnamese and imported goods compete in the market.

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

Answer:

Because SHVN has not done any research on the Vietnamese market, it is not aware of the ways that the goods are marketed and distributed in the market.

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

Answer:

Because SHVN has not done any research on the Vietnamese market, it is not aware of any factors that are relevant to characteristics or influences on the market for the goods.

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

2. Provide a diagram which describes the Vietnamese 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 Vietnamese market.

Answer:

SHVN has not done any research on the Vietnamese market. Therefore, it is unable to provide the diagram which describes the Vietnamese market structure for the goods including all categories of participants.

3. Describe the commercially significant market participants in the Vietnamese 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.

Answer:

SHVN has not done any research on the Vietnamese market. Therefore, it is unable to describe the commercially significant market participants in the market for the goods at each level of trade over the investigation period.

4. Identify the names of commercially significant importers in the Vietnamese 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 Vietnamese market, if known.

Answer:

SHVN has not done any research on the Vietnamese market. Therefore, it is not aware of the commercially significant importers in the market for the goods over the investigation period.

5. Describe the regulatory framework of the Vietnamese 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.

Answer:

There is no regulatory framework of the Vietnamese market for the goods as it relates to competition policy, taxation, production standards nor the ranges of the goods.

6. Describe any entry restrictions for new participants into the Vietnamese 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.

Answer:

There is no restriction for new participants into the Vietnamese market for the goods.

I-2 Goods in the Vietnamese market

1. Generally describe the range of goods offered for sale in the Vietnamese 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.

Answer:

SHVN is not aware of the ranges of the goods offered for sale in the Vietnamese market. For those produced by SHVN, the description of the goods offered for sale are indicated in **Exhibit A-2.7 Catalogue**.

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

Answer:

The goods are used for packing, load containment or lifting in a range of industries.

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

Answer:

The key product attribute that influences purchasing decisions is breakforce.

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

Answer:

PET band can be substituted for steel strapping in the Vietnamese market. However there are limits on the substitution due to the difference in characteristic of steel strapping and PET band.

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

Answer:

SHVN is not aware of any commercially significant market complements in the Vietnamese market.

6. Have there been any changes in market or consumer preferences in the Vietnamese 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.

Answer:

SHVN is not aware of any changes in market or consumer preference in the Vietnamese market.

I-3 Relationship between price and cost

1. Describe the importance of the Vietnamese 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 Vietnam; and
 - (b) The proportion of your company's profit derived from sales of the goods in Vietnam.

In responding to question 1 please provide evidence supporting calculations.

Answer:

Please refer to the below chart presenting the sale revenue derived from sales of the goods in all the markets:

[CONFIDENTIAL CHART REDACTED]

During the period, SHVN derived VND [REDACTED] from sales of the goods in all the markets including Vietnam, Australia and third countries. Domestic sale revenue of the goods was VND [REDACTED] and accounted for [REDACTED]% of total sale revenue of the goods in all the markets.

The calculations were supported by **Sale report – POI in Exhibit B-4.2 Reconciliation of sales to financial accounts.**

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

Answer:

SHVN is not aware of any organisation/entity's price for the goods in the Vietnamese market. Therefore, SHVN is unable to address the question

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 Vietnam. If there are multiple strategies applied, please rank these by importance. If there

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

Answer:

All the products sold by SHVN to Vietnamese customers are ordered by the Vietnamese customers. The selling prices are negotiated between SHVN and its customers on transaction by transaction basis. The selling prices offered to the customers for the negotiation process were determined based on the purchase price of the materials and the quality of the products sold.

Therefore, the pricing strategy in Vietnam of SHVN can be considered as cost-plus pricing strategy. There is no other pricing determination method nor pricing strategy applied for the goods exported to Vietnam.

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

Answer:

As described in the above question, the selling prices of the goods for the Vietnamese market are determined based on the raw material purchase prices and on transaction by transaction basis.

5. How frequently are your Vietnamese 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.

Answer:

The selling prices are reviewed monthly by the following persons:

- General director: [REDACTED];
- Sale manager: [REDACTED];
- Domestic sale person: [REDACTED]

6. Rank the following factors in terms of their influence on your pricing decisions in the Vietnamese 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]

Answer:

There are 03 factors influence on SHVN's pricing decision in the Australian market as below:

- (1) Purchase price of raw materials
- (2) Cost to make and sell the goods
- (3) Product quality

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

Answer:

Cost to make and sell is one of the factors influencing on SHVN's pricing decision. Please note that SHVN does not separately keep track of cost to make and sells in domestic market, Australian market nor third countries.

SHVN does maintain a desired profit margin for the goods in Vietnam.

8. Do you offer price reductions (e.g., commissions, discounts, rebates, allowances or credit notes) in the Vietnamese 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.

Answer:

SHVN does not offer price reduction in the Vietnamese market.

9. Do you offer bundled pricing in the Vietnamese 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.

Answer:

SHVN does not offer bundled pricing in the Vietnamese market.

10. Does the volume of sales to a customer or the size of an order influence your selling price in Vietnam? 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.

Answer:

Neither the volume of sales to a customer nor the size of an order influences the base price for the negotiation process.

11. Does your organisation/business entity use sales contracts in the Vietnamese 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?
 - 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.

Answer:

SHVN does use sale contracts in the Vietnamese market.

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- (a) During the period, domestic sale revenue from contract was VND [REDACTED] which accounted for [REDACTED]% of total domestic sale revenue (VND [REDACTED]).
- (b) SHVN does not offer exclusivity contracts.
- (c) A sale contracts can be renegotiated if there is any adjustment on the sale terms required.
- (d) The selling prices are negotiated in every transactions or contracts.
- (e) SHVN does not provide customers with any opportunities for price reviews within contracts.
- (f) The changes in cost to make and sells do not enable SHVN to review prices for customers within contracts.
- (g) The list of the customers under contract during the investigation period and a copy of 01 contract are provided in **Exhibit I-3.11 Sale under contract**. The copy of another contract is provided in **Exhibit D-3.1 Domestic sale samples**.

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

Answer:

SHVN does not use any price list for the goods used in the Vietnamese market. All the prices in the Vietnamese market are stated in sale documents.

13. How do you differentiate pricing for different products/models of the goods in the Vietnamese 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.

Answer:

All the selling price for the goods in the Vietnamese market are negotiated between SHVN and its customer and SHVN does not group the products from price differentiation.

The difference in cost to make of differentiated products, which mostly comes from raw material purchase prices, is a reference factor for the authorised person to determine the base price for the negotiation process between SHVN and its customers.

14. Do you tier or segment your Vietnamese 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.

Answer:

Because the selling prices are negotiated on transaction by transaction basis, SHVN does not tier nor segment its Vietnamese customers for the goods in terms of pricing.

15. Do you sell the goods to related entities in Vietnam? 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.

Answer:

Yes, SHVN sold the goods to [REDACTED] which is a related party of SHVN. The selling prices are negotiated between SHVN and [REDACTED], the parent company of [REDACTED].

In the period, the revenue from selling the goods to [REDACTED] was VND [REDACTED] accounting for [REDACTED]% of total domestic sale of the goods (VND [REDACTED]).

I-4 Marketing and sales support in the Vietnamese market

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

Answer:

SHVN markets the goods in the Vietnamese market about its superior quality, reliability, convenience and mobility, etc.

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

Answer:

SHVN has only 01 brand segmentation in the Vietnamese market for the goods which is Sam Hwan Vina Steel Strapping.

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

Answer:

SHVN does not conduct any advertisement nor promotion campaigns for the goods in Vietnam.

4. How many people are in your Vietnamese 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.

Answer:

There is only 01 person in the Vietnamese market sales team who is [REDACTED]. She works in the company located in Dong Nai and draws fixed monthly salary.

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.

Answer:

The offer price for the goods when negotiating sales with customers is decided by the authorised person, Deputy general director.

SECTION J PRODUCTION AND PRODUCTION COSTS

J-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.

Answer:

The main factors contributing to the decision of volume of production for the goods, product mix of production are sale order and the status of the goods in the warehouse.

Whenever there is any sale order, the stock department is responsible for checking if the Company has available products stored in the warehouse. If there are enough products meeting the ordered specification, the products are stocked out for delivery to customer process. If there are not enough products meeting the ordered specification or if there are stocked products having similar specification, the production plan is responsible for prepare the production plan.

However, SHVN does not maintain any internal documents supporting the determination of production volume.

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.

Answer:

The lead times are various due to the differentiate of adjustment on volume of production.

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)?

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

Answer:

SHVN does have warehousing facilities for the goods with the capacity.

The amount of inventory as of 31 Mar 2020 is VND [REDACTED].

The average period of time that inventory is retained is determined as inventory turnover ratio and calculated as below:

$$\begin{aligned} \text{Inventory turnover ratio} &= \frac{\text{Sale revenue}}{(\text{Beginning inventory} + \text{Ending inventory})/2} \\ &= \frac{[REDACTED]}{([REDACTED])/2} \\ &= [REDACTED] \text{ (days)} \end{aligned}$$

The calculation data are sourced from **Trial balance - The POI in Exhibit A-4.5 Trial balance and Yearly income statement - FY2019 and the POI in Exhibit A-4.4 Income statements.**

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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.

Answer:

All change to the type of capital utilised by SHVN is indicated in investment certificates included in **Exhibit H-3.1 Business licenses**.

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.

Answer:

SHVN does not produce any inputs that could be utilised to make the goods.

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.

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

Answer:

There were 02 significant investments in the past five years to upgrade and build the plants used in the production of the goods. The documents relating to the investments are provided in **Exhibit J-1.6 Document of the extending factory**.

7. Confirm whether management reports are prepared on production costs. If yes:
- specify how often these cost reports are prepared;
 - describe the level of detail in those reports and whether they enable the establishment of costs of producing the goods; and
 - specify to whom within the company these reports are provided; and
 - provide copies of these reports for each month of the investigation period.

Answer:

Monthly costing reports are prepared by the accounting department and submitted to the General Director, Deputy General Director and Administration Director. In the report, all production costs are reported, which are Material costs, Labour costs and Factory overhead costs.

The reports for 12 months of the investigation period are provided at file **CTM** in **Exhibit G-8.2 Reconciliation of CTM to FS**.

SECTION K AUSTRALIAN MARKET

K-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;

Answer:

Because SHVN sells the goods to Australian customers, it is not familiar with the dynamics or characteristics of the Australian market. For a better understanding, please refer to the applicant's description in its application and seek further information from primary importers.

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

Answer:

Because SHVN sells the goods based on Australian customers' orders, it is not aware of the sources of demand or categories of customers, as these would involve many industries and sectors. SHVN believes that importers have better knowledge of the information to address the question.

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

Answer:

As indicated in the above question, SHVN is not aware of the sources of demand for the goods in Australian. Therefore, the Company is not able to provide the requested estimated proportion.

- (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;

Answer:

SHVN is not aware of any consumption or demand variability in Australia. SHVN believes that importers have better knowledge of the information to address the question.

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

Answer:

SHVN is not aware of any market segmentations in Australia. SHVN believes that importers have better knowledge of the information to address the question.

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

Answer:

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As indicated in the above question, SHVN is not aware of market segments. Therefore, the Company is not able to provide the requested estimated proportion.

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

Answer:

As indicated in question K-1.1.b, SHVN receives order inquiries from potential customers and negotiates directly with those customers. The Company does not seek to compete with locally produced or other import sources.

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

Answer:

SHVN understands that the customers that are retailers market the goods via their websites and distribute to end-user customers by normal distribution networks.

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

Answer:

SHVN is not aware of any other relevant factors relating to the goods in Australia.

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.

Answer:

SHVN is not very familiar with the Australian market structure as it deals only with its direct import customers. These customers are generally retailers offering packaging solutions to the market, with the exception of a small number of direct end-users.

Please refer to diagram in the right.



- 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;
 - 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.

Answer:

As outlined in the previous response, SHVN deals only with its direct customers in Australia, which are predominantly retailers. SHVN is unaware of their degree of integration or market share. SHVN believes that the importers have better knowledge to address the question.

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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.

Answer:

SHVN is not aware of Australian importers other than those parties that it supplied during the investigation period. Therefore, SHVN is unable to provide the requested information.

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.

Answer:

SHVN is not aware of the regulatory frameworks relevant to the goods that govern the Australian market.

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.

Answer:

SHVN is not aware of any barriers to new participants in the Australian market.

K-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.

Answer:

The goods offered for sale to the Australian market include the following characteristics:

- Steel base: [REDACTED]
- Break force range: [REDACTED] N/mm²
- Width range: [REDACTED] mm
- Thickness range: [REDACTED] mm
- Colour: [REDACTED].

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

Answer:

The goods are used for packing, load containment or lifting in a range of industries.

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.

Answer:

The key product attribute that influences purchasing decisions is breakforce.

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

Answer:

SHVN notes that the applicant has identified historic cases where PET strap was substituted for steel strapping, and that there has been limited substitution in more than a decade impacting painted steel strapping.

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

Answer:

SHVN is not aware of any commercially significant market complements in the Australian market.

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.

Answer:

SHVN is not aware of any changes in market or consumer preference in the Australian market.

K-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.

Answer:

Please refer to the below chart presenting the sale revenue derived from sales of the goods in all the markets:

[CONFIDENTIAL CHART REDACTED]

- During the period, SHVN derived VND [REDACTED] from sales of the goods in all the markets including Vietnam, Australia and third countries. Australian sale revenue of the goods was VND [REDACTED] and accounted for [REDACTED]% of total sale revenue of the goods in all the markets.
- In the period, Australia was the [REDACTED] biggest export market of SHVN. Australian sale revenue of the goods (VND [REDACTED]) accounted for [REDACTED]% of total SHVN export sale revenue of the goods (VND [REDACTED]).

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The calculations were supported by **Sale report – POI in Exhibit B-4.2 Reconciliation of sales to financial accounts**.

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.

Answer:

SHVN is not aware of any organisation/entity's price for the goods in the Australian market. Therefore, SHVN is unable to address the question.

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.

Answer:

All the products sold by SHVN to Australian customers are ordered by the Australian customers. The selling prices are negotiated between SHVN and its customers on transaction by transaction basis. The selling prices offered to the customers for the negotiation process were determined based on the purchase price of the materials and the quality of the products sold.

Therefore, the pricing strategy in Australia of SHVN can be considered as cost-plus pricing strategy. There is no other pricing determination method nor pricing strategy applied for the goods exported to Australia.

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.

Answer:

As described in the above question, the selling prices of the goods for the Australian market are determined based on the raw material purchase prices and on transaction by transaction basis.

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.

Answer:

The selling prices are not reviewed following any schedule. As described in the above question, the selling prices are negotiated between SHVN and its customers on transaction by transaction basis.

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

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

Answer:

There are 03 factors influence on SHVN's pricing decision in the Australian market as below:

- (1) Purchase price of raw materials
- (2) Cost to make and sell the goods
- (3) Product quality

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.

Answer:

Cost to make and sell is one of the factors influencing on SHVN's pricing decision. Please note that SHVN does not separately keep track of cost to make and sells in domestic market, Australian market nor third countries.

SHVN does not maintain nor seek to maintain a desired profit margin for the goods.

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.

Answer:

SHVN does not offer price reduction in the Australian market.

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.

Answer:

SHVN does not offer bundled pricing in the Australian market.

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.

Answer:

Neither the volume of sales to a customer nor the size of an order influences the selling price.

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?

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- (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.

Answer:

- (a) All SHVN's Australian sales revenue come from contracted sales.
 - (b) SHVN does not offer any exclusivity contracts.
 - (c) A sale contracts can be renegotiated if there is any adjustment on the sale terms required.
 - (d) The selling prices are negotiated in every transactions or contracts.
 - (e) SHVN does not provide customers with any opportunities for price reviews within contracts.
 - (f) The changes in cost to make and sells do not enable SHVN to review prices for customers within contracts.
 - (g) All customers listed in **B-2 Australian sales** are under contract. The copies of the two largest contracts in terms of sales revenue are provided in **Exhibit B-3.1 Australian export sale samples**.
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.

Answer:

SHVN does not use any price list for the goods used in the Australian market. All the prices in the Australian market are stated in sale documents.

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.

Answer:

All the selling price for the goods in the Australian market are negotiated between SHVN and its customer and SHVN does not group the products from price differentiation.

The difference in cost to make of differentiated products, which mostly comes from raw material purchase prices, is a reference factor for the authorised person to determine the base price for the negotiation process between SHVN and its customers.

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.

Answer:

Because the selling prices are negotiated on transaction by transaction basis, SHVN does not tier nor segment its Australian customers for the goods in terms of pricing.

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.

Answer:

All Australian customers are unrelated to SHVN.

K-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.).

Answer:

SHVN does not directly market the goods in the Australian market. Australian customers can find all the information of SHVN in the website of the Company, which is <http://www.steelstrapping.com/>.

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.

Answer:

SHVN does not conduct brand segmentation in the Australian market for the goods.

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.

Answer:

SHVN has never had any advertising activities nor promotion campaigns in Australia.

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.

Answer:

All people of export sale teams of SHVN are in Vietnam.

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.

Answer:

The offer price for the goods when negotiating sales with customers is decided by the authorised person, Deputy general director.

EXPORTER'S DECLARATION

I hereby declare that.....(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 :.....

Signature :.....

Position in

Company :.....

Date :.....