



Australian Government
Department of Industry, Science,
Energy and Resources

PUBLIC VERSION

Anti-Dumping
Commission

Exporter Questionnaire

THE SOCIALIST REPUBLIC OF VIETNAM

Case number: 558

Product: Aluminium zinc coated steel (of a width equal to or greater than 600 millimeters)

From: The Socialist Republic of Vietnam

Investigation period: 1 April 2019 to 31 March 2020

Response due by: Thursday, 3 September 2020

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

Anti-Dumping Commission website: www.adcommission.gov.au

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INSTRUCTIONS

Why you have been asked to fill out this questionnaire?

The Anti-Dumping Commission (the Commission) is conducting an investigation into aluminium zinc coated steel (of a width equal to or greater than 600 millimeters) (the goods) exported to Australia from the The Republic of Korea (Korea), Taiwan and the Socialist Republic of Vietnam (Vietnam). This questionnaire is only for exporters from Vietnam. Another exporter questionnaire is available for exporters from Korea and Taiwan.

The Commission will use the information you provide to determine normal values and export prices over the investigation period (the period). This information will determine whether the goods are dumped. The Commission will also use the information you provide to determine whether the goods exported to Australia from Vietnam have been in receipt of countervailable subsidies over the period.

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 and a subsidy margin having regard to all relevant information.

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

Extension requests

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

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

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

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

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

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

Submitting a response to the exporter questionnaire

Responses to the exporter questionnaire should be lodged by email listed on the cover page. In submitting the response to the exporter questionnaire, you must answer all questions, include all attachments and spreadsheets, and provide a non-confidential version of your response to this exporter questionnaire.

If your response to this exporter questionnaire contains major deficiencies that, in the Commissioner's view, cannot be quickly and easily rectified in a further response, then your company may be deemed as an uncooperative exporter (dumping) and or non-cooperative exporter (countervailing).

Confidential and non-confidential responses

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

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

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

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

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

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

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

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

notice as a result of the COVID-19 pandemic. This position is subject to change as the Commission continues to assess current events.

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)*

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- *The data must be created as spreadsheet files in Microsoft Excel.*
- *If you have used formulas to complete spreadsheets, these formulas must be retained and not hard-coded.*
- *You must retain all worksheets used in answering the questionnaire. Be prepared to provide these worksheets during the Commission's verification of your data.*
- *If you cannot present electronic data in the requested format contact the case officer as soon as possible.*
- *Where possible, electronic data should be emailed or shared with the Commission via SIGBOX, a secure online document repository. Please contact the Commission to request access to SIGBOX if required.*

CHECKLIST

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

Section	Please tick if you have responded to all questions
<p>Goods under consideration The goods the subject of the investigation are:</p> <p><i>Flat rolled iron and steel products (whether or not containing alloys), of a width equal to or greater than 600 millimeters ("mm"), plated or coated with aluminium-zinc alloys, not painted, and whether or not including resin coating.</i></p> <p><i>Trade or further generic names often used to describe the subject goods include:</i></p> <ul style="list-style-type: none"> • ZINCALUME® steel; • GALVALUME® steel; • Aluzinc, Supalume, Superlume, ZAM, GALFAN; • Zinc aluminium coated steel; • Aluminium zinc coated steel; • Aluminium zinc magnesium coated steel; • Alu-Zinc Steel sheet in Coils; • Al/Zn; and • Hot Dipped 55% Aluminium-Zinc Alloy coated steel sheet in coil. <p><i>The imported goods the subject of this application covers aluminum zinc coated steel whether or not including any combination of surface treatment. For example, whether passivated (often referred to as chromated), resin coated or not resin coated (often referred to as Anti-Finger Print ("AFP") or not AFP), oiled or not oiled, skin-passed or not skin-passed.</i></p> <p><i>Excluded from the goods description of this application is un-passivated (often referred to as unchromated) aluminium zinc coated steel.</i></p> <p><i>The amount of aluminium zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m²), with the prefix being AZ (Aluminium Zinc). Common coating masses used are: AZ200, AZ150, AZ100, and AZ70.</i></p> <p><i>There are several relevant International Standards for aluminium zinc coated steel, covering the full range of products via specific grade designations, and including the recommended or guaranteed properties of each of those product grades.</i></p>	<input checked="checked" type="checkbox"/>

These relevant standards are noted below in the table "Relevant International Standards for Aluminium Zinc Coated Steel".

International Standards	Product Grades
<i>General and Commercial Grades</i>	
AS/NZS 1397	G1, G2
ASTM A792	CS, type A, B and C
EN 10346	DX51D, DX52D
JIS 3321	SGLCC
<i>Forming, Pressing & Drawing Grades</i>	
AS/NZS 1397	G3
ASTM A792	FS, DS
EN 10346	DX53D, DX53D
JIS 3321	SGLCD, SGLCDD
<i>Structural Grades</i>	
AS/NZS 1397	G250, G300, G350, G450, G550
ASTM A792	33 (230), 37(255), 40 (275), 50 (340), 55 (380), 80 (550)
EN 10346	S220GD, S250GD, S280GD, S320GD, S350GD, S550GD
JIS 3321	SGLC400, SGLC440, SGLC490, SGLC570

Tariff classification

The goods are generally, but not exclusively, classified to the following tariff classifications in Schedule 3 of the *Customers Tariff Act 1995*.

Tariff classification (Schedule 3 of the Customs Tariff Act 1995)

Tariff Subheading	Statistical Code	Description
7210.61.00		FLAT-ROLLED PRODUCTS OF IRON OR N OF 600 mm OR MORE, CLAD, PLATED OR WITH ALUMINIUM-ZINC ALLOYS
	60	Of a thickness of less than 0.3
	61	Of a thickness of 0.5 mm or n
	62	Of a thickness of 1.5 mm or n
7225.99.00		FLAT-ROLLED PRODUCTS OF OTHER ALL mm OR MORE
	39	Other

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.

Item	Category	Sub-Category	Identifier	Sales
1	Prime	Prime	P	Mar
		Non-Prime	N	
2	Coating Mass	≤ 100 g/m ²	1	Mar
		>100 g/m ² to ≤ 165 g/m ²	2	
		>165 g/m ²	3	
3	Steel Grade	G2 / SGLCC	A	Mar

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		G3 / SGLCD	B					
		G250 / SGLC 340	C					
		G300 / G350 / SGLC 400 / SGLC 440 / SGLC 490	D					
		G450 / G500	E					
		G550 / SGLC 570	F					
		Other	G					
4	Base Metal Thickness (BMT)	< 0.40 mm	1	Mandatory	Mandatory	Yes		
		≥ 0.40 mm to < 0.50 mm	2					
		≥ 0.50 mm to < 0.75 mm	3					
		≥ 0.75 mm to < 1.00 mm	4					
		≥ 1.00 mm to < 2.00 mm	5					
5	Width	< 600 mm	1	Mandatory	Mandatory	No		
		≥ 600 mm	2					
6	Form	Coil	C	Mandatory	Optional	No		
		Sheet	S					

In constructing a MCC, use a "-" between each category. For example: **P-2-E-3-2-C**

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

Section B

Export sales to Australia



Section C

Exported goods & like goods



Section D

Domestic sales



Section E

Due allowance



Section F

Third country sales



Section G

Cost to make and sell



Section H

Particular market situation



Section I



Section J

Production AND Production Costs



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Section K Australian Market	<input checked="" type="checkbox"/>
Section L Countervailing	<input checked="" type="checkbox"/>
Exporter's declaration	<input checked="" type="checkbox"/>
Non-confidential version of this response	<input checked="" type="checkbox"/>

Attachments	Please tick if you have provided spreadsheet
B-2 Australian sales	<input checked="" type="checkbox"/>
B-4 Upwards sales	<input checked="" type="checkbox"/>
B-5 Upwards selling expenses	<input checked="" type="checkbox"/>
B-6 Historical sales	<input checked="" type="checkbox"/>
D-2 Domestic sales	<input checked="" type="checkbox"/>
F-2 Third country sales	<input checked="" type="checkbox"/>
G-3 Domestic CTM	<input checked="" type="checkbox"/>
G-4.1 SG&A listing	<input checked="" type="checkbox"/>
G-4.2 Dom SG&A calculation	<input checked="" type="checkbox"/>
G-5 Australian CTM	<input checked="" type="checkbox"/>
G-7.2 Raw material CTM	<input checked="" type="checkbox"/>
G-7.4 Raw material purchases	<input checked="" type="checkbox"/>
G-8 Upwards costs	<input checked="" type="checkbox"/>
G-9 Capacity utilisation	<input checked="" type="checkbox"/>
L-1 Company turnover	<input checked="" type="checkbox"/>
L-2 Provision of goods	<input checked="" type="checkbox"/>
L-3 Income tax	<input checked="" type="checkbox"/>
L-4 Grants	<input checked="" type="checkbox"/>
L-5 VAT and tariff transactions	<input checked="" type="checkbox"/>
L-6 Preferential loans	<input checked="" type="checkbox"/>

GOODS UNDER CONSIDERATION

The goods the subject of the investigation are:

Flat rolled iron and steel products (whether or not containing alloys), of a width equal to or greater than 600 millimeters ("mm"), plated or coated with aluminium-zinc alloys, not painted, and whether or not including resin coating.

Trade or further generic names often used to describe the subject goods include:

- ZINCALUME® steel;
- GALVALUME® steel;
- Aluzinc, Supalume, Superlume, ZAM, GALFAN;
- Zinc aluminium coated steel;
- Aluminium zinc coated steel;
- Aluminium zinc magnesium coated steel;
- Alu-Zinc Steel sheet in Coils;
- Al/Zn; and
- Hot Dipped 55% Aluminium-Zinc Alloy coated steel sheet in coil.

The imported goods the subject of this application covers aluminum zinc coated steel whether or not including any combination of surface treatment. For example, whether passivated (often referred to as chromated), resin coated or not resin coated (often referred to as Anti-Finger Print ("AFP") or not AFP), oiled or not oiled, skin-passed or not skin-passed.

Excluded from the goods description of this application is un-passivated (often referred to as unchromated) aluminium zinc coated steel.

The amount of aluminium zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m^2), with the prefix being AZ (Aluminium Zinc). Common coating masses used are: AZ200, AZ150, AZ100, and AZ70.

There are several relevant International Standards for aluminium zinc coated steel, covering the full range of products via specific grade designations, and including the recommended or guaranteed properties of each of those product grades.

These relevant standards are noted below in the table "Relevant International Standards for Aluminium Zinc Coated Steel".

International Standards		Product Grades
<i>General and Commercial Grades</i>		
AS/NZS 1397	G1, G2	
ASTM A792	CS, type A, B and C	
EN 10346	DX51D, DX52D	
JIS 3321	SGLCC	
<i>Forming, Pressing & Drawing Grades</i>		
AS/NZS 1397	G3	
ASTM A792	FS, DS	
EN 10346	DX53D, DX53D	
JIS 3321	SGLCD, SGLCDD	
<i>Structural Grades</i>		
AS/NZS 1397	G250, G300, G350, G450, G550	
ASTM A792	33 (230), 37(255), 40 (275), 50 (340), 55 (380), 80 (550)	
EN 10346	S220GD, S250GD, S280GD, S320GD, S350GD, S550GD	
JIS 3321	SGLC400, SGLC440, SGLC490, SGLC570	

Tariff classification

The goods are generally, but not exclusively, classified to the following tariff classifications in Schedule 3 of the *Customs Tariff Act 1995*.

Tariff classification (Schedule 3 of the Customs Tariff Act 1995)

Tariff Subheading	Statistical Code	Description
7210.61.00		FLAT-ROLLED PRODUCTS OF IRON OR NON-ALLOY STEEL, OF A WIDTH OF 600 mm OR MORE, CLAD, PLATED OR COATED: PLATED OR COATED WITH ALUMINIUM-ZINC ALLOYS
	60	<i>Of a thickness of less than 0.5 mm</i>
	61	<i>Of a thickness of 0.5 mm or more but less than 1.5 mm</i>
	62	<i>Of a thickness of 1.5 mm or more</i>
7225.99.00		FLAT-ROLLED PRODUCTS OF OTHER ALLOY STEEL, OF A WIDTH OF 600 mm OR MORE
	39	Other

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.

Item	Category	Sub-Category	Identifier	Sales Data	Cost Data	Key category
7	Prime	Prime	P	Mandatory	Not applicable	Yes
		Non-Prime	N			
8	Coating Mass	≤ 100 g/m ²	1	Mandatory	Mandatory	Yes
		>100 g/m ² to ≤ 165 g/m ²	2			
		>165 g/m ²	3			
9	Steel Grade	G2 / SGLCC	A	Mandatory	Mandatory	Yes
		G3 / SGLCD	B			
		G250 / SGLC 340	C			
		G300 / G350 / SGLC 400 / SGLC 440 / SGLC 490	D			
		G450 / G500	E			
		G550 / SGLC 570	F			
		Other	G			
10	Base Metal Thickness (BMT)	< 0.40 mm	1	Mandatory	Mandatory	Yes
		≥ 0.40 mm to < 0.50 mm	2			
		≥ 0.50 mm to < 0.75 mm	3			
		≥ 0.75 mm to < 1.00 mm	4			
		≥ 1.00 mm to < 2.00 mm	5			
11	Width	< 600 mm	1	Mandatory	Mandatory	No
		≥ 600 mm	2			
12	Form	Coil	C	Mandatory	Optional	No
		Sheet	S			

In constructing a MCC, use a "-" between each category. For example: **P-2-E-3-2-C**

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

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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:
Position in the company:
Telephone:
E-mail address:

Answer:

Name: Nguyen Hong Phuoc (Ms)
Position in the company: Trade Remedy Officer
Telephone: (84) 97 182 0075
E-mail address: nguyen.hong.phuoc@hoasengroup.vn

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

Name:
Address:
Telephone:
E-mail address:

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.

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

Answer: The company's financial records are held at Representative office (Mailing address): 183 Nguyen Van Troi, Ward 10, Phu Nhuan District, Ho Chi Minh City, Vietnam and records are also stored in subsidiaries and branches.

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

Answer: The company's production records are held at Representative office (Mailing address): 183 Nguyen Van Troi, Ward 10, Phu Nhuan District, Ho Chi Minh City, Vietnam and production plants of HSG

A-2 Company information

1. What is the legal name of your business?

Answer: Hoa Sen Group Joint Stock Company ("HSG")

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

Answer: HSG doesn't trade under any different name.

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

Answer: Yes, HSG was first established in August 2001 under the name "Hoa Sen Joint Stock Company". In 2007, name of the company was changed to "Hoa Sen Group Joint Stock Company".

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

Answer: The Board of Directors includes:

-
-
-
-
-
-

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: Yes, HSG is part of a group.

(a) Please refer to [Exhibit A-2.5 Organizational Legal Entities Structure](#);

(b) As previously explained, there are [REDACTED] subsidiaries in HSG's corporate structure, please refer to [Exhibit A-2.5 Organizational Legal Entities Structure](#) for The list of all related companies and its functions.

6. Is your company or parent company publically 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: Yes, HSG is publically listed.

(a) It is listed at Hochiminh Stock exchange.

(b) HSG's major shareholders:

- [REDACTED]: [REDACTED]%;
- [REDACTED]: [REDACTED]%;

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.

Answer: The overall nature of HSG's business is Manufacturing business. HSG manufacture and sell iron and steel products. Our markets are domestic and international market.

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: HSG performs all of the functions.

9. Provide your company's internal organisation chart.

Answer: Please refer to [Exhibit A-2.9 HSG's internal organization chart](#).

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

Answer: As previously explained in the question A-2.9, HSG has 3 main groups:

- Technology, production supply and project: This group manages technology, productions, construction and investment.
- Domestic sales, export – import distribution system management: This group manages sales (include plastic and steel products), general and sales Policy and distribution.
- Indirect and office sector: This group manages office sector (include HR – administration, recruitment, recruitment – training, finance – trade remedies, marketing and accounting).

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

Answer: Please refer to [Exhibit A-2.11 Catalogue](#).

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.

A-3 General accounting information

1. What is your financial accounting period?

Answer: The annual accounting period of the Company is from 1 October to 30 September of the following year.

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

Answer: Yes, HSG's financial statements are audited by auditing firms in Vietnam. Please refer to [Exhibit A-4.1 \(3 exhibits\)](#).

3. What currency are your accounts kept in?

Answer: HSG's accounts kept in Vietnamese dong.

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

Answer: HSG financial accounting system is Enterprise Resource Planning (ERP).

5. What is the name of your sales system?

Answer: HSG sales system is Enterprise Resource Planning (ERP).

6. What is the name of your production system?

Answer: HSG production system is Enterprise Resource Planning (ERP).

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: HSG uses ERP for interacting the systems.

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

Answer: No, HSG accounting doesn't practice differ in anyway from generally accepted accounting principle in Vietnam.

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

Answer: No, HSG haven't been any changes to our accounting practices and/or policies 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: Please refer to [Exhibit A-4.1 \(3 exhibits\)](#).

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 were 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: No, HSG doesn't maintain any 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

PUBLIC VERSION

- (b) Quarterly or half yearly income statements directly from your accounting system covering the most recent financial period and the period.

Answer: Please refer to [Exhibit A-4.4 \(2 exhibits\)](#).

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

Answer: Please refer to [Exhibit A-4.5 Trial Balance - HSG separate in POI](#).

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

Answer: Please refer to [Exhibit A-4.6 HSG's Chart of Accounts](#).

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

SECTION B

EXPORT SALES TO AUSTRALIA

B-1 Australian export sales process

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

Answer:

- (a) Enquiry receiving.
 - HSG receives enquiries from the Importer via email or telephone;
- (b) Negotiation.
 - HSG matches the Importer's requirements with mill's capability;
 - HSG sends the offers to the Importer. The Importer bid either be accepted right away or HSG may make counter offers.
 - Negotiation is concluded by a signed sale contract between HSG and the Importer;
 - In case there is agreement of commission with third party, the commission contract will be signed at this step.
- (c) Payment.
 - Payment is executed according to relevant terms and conditions in the signed sale contract.
 - In case Telegraphic Transfer (T/T) is chosen as method of payment, the Importer must pay an amount of money in advance as a deposit. The balance will be paid before goods are shipped out.
 - In case of Letter of Credit payment (L/C), the buyer must open workable L/C before production.
- (d) Delivery of Goods
 - Once the production finishes, HSG will get the booking and ship out the goods
- (e) After – sale service
 - In case the Importer raises any claim involving the quality and quantity, HSG will collect information and take necessary steps to determine the damage.
 - HSG and the buyer will sign the agreement minutes which stipulate the method of claim settlement (compensation, goods return...)

This sales process does not differ between or among classes of customers. HSG apply the same sales process for all export markets.

Please refer to the detail flowchart below:

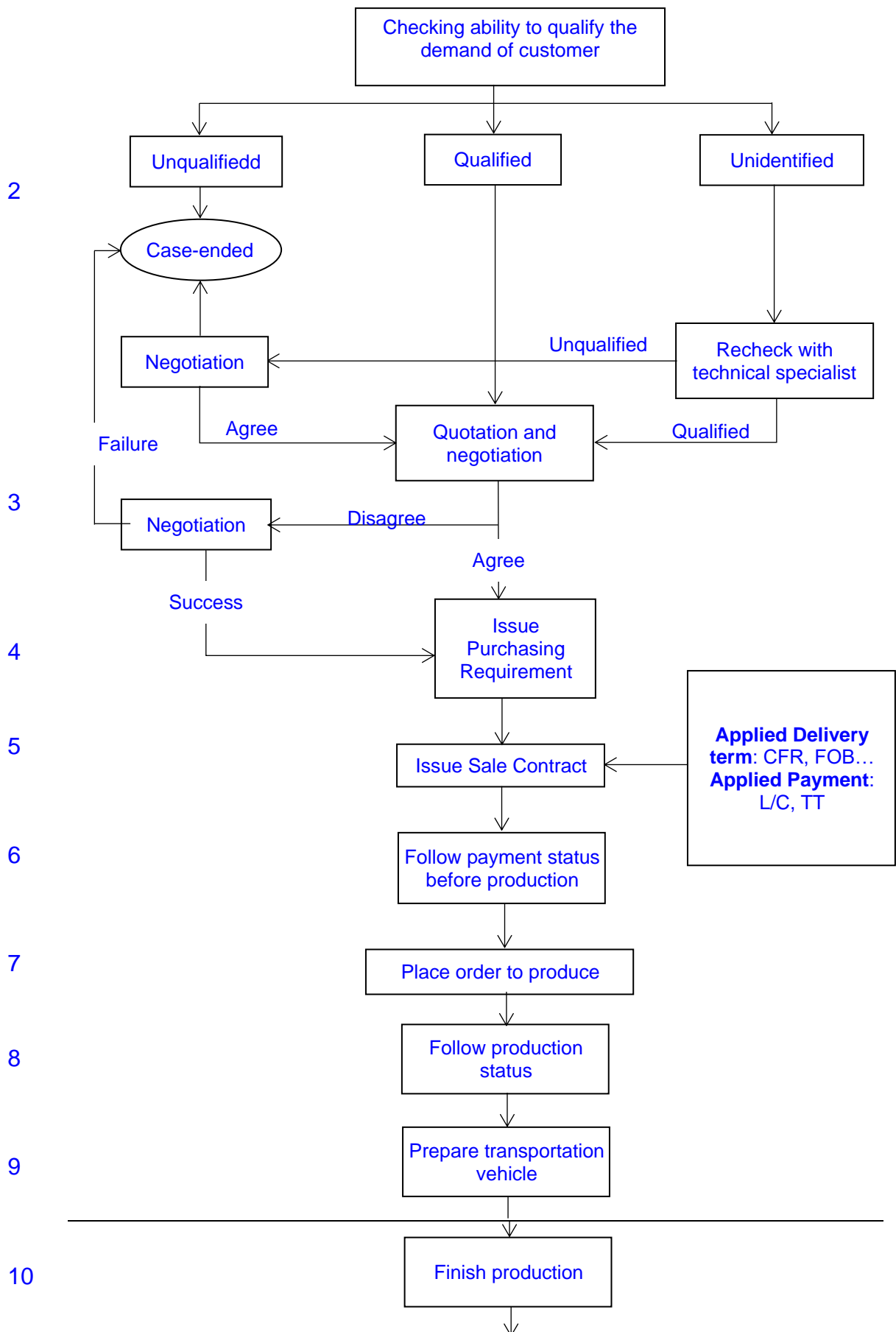
Step Flowchart

1

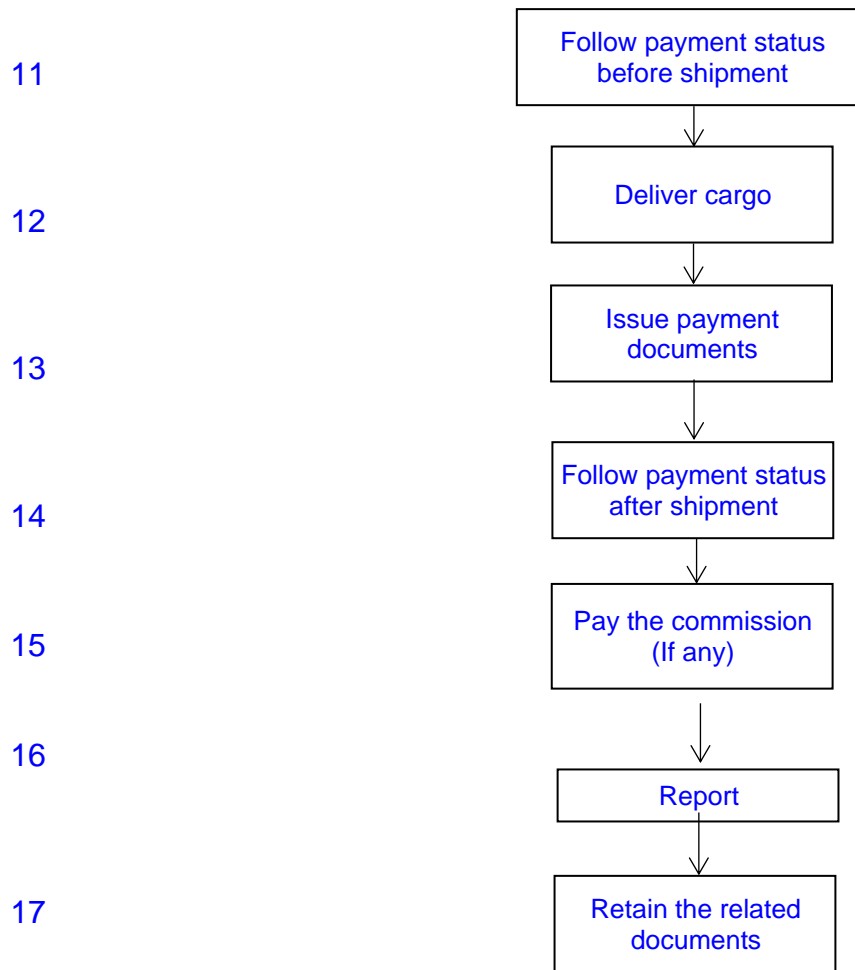
Searching for customer,
receiving inquiry



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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:

Currency for exported goods to Australia: US Dollars

- (a) Yes, our account information details:

Account name: [REDACTED]
Account number: [REDACTED]
Bank name: [REDACTED]

- (b) No, HSG doesn't use forward contracts to lock in the foreign exchange rate relating to the export sales.

- (c) For exported goods, the exchange rate recorded at the rate as on customs declaration. This rate is following the regulations of Custom Act, on Thursday of previous week announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam

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: No, there aren't any customers of the goods exported to Australia related to our company.

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

Answer: See [Exhibit H-4.6 Price list for Rolld GL and Hot-dip Rolled – Coating Steel](#)

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: No, this price lists use for all distribution channel

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:

No, HSG does not have any discount or discount policy for foreign customers, but during the price negotiation, the two sides will negotiate until the best price is reached and the invoice price is the final price of the order.

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:

No, HSG did not have issued any credit and debit notes for Australia customers during the period

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:

In HSG, The invoice date will be taken to be the date of sale

B-2 Australian sales listing

1. Complete the worksheet named "B-2 Australian sales"
- This worksheet lists all 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:

See [Exhibit B-2 Australia Sale](#).

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

Answer:

See [Exhibit B-2.2 – Source for Australia Sale](#)

B-3 Sample export documents

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

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

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

Answer:

See [Exhibit B-3.1: Sample document for Australia sale](#)

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:

See [Exhibit B-3.2: Reconcile Sale to Document](#)

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:

See [Exhibit B-4: Upward sales](#)

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

Answer:

See [Exhibit B-4.2: Source for Upward Sale \(B-4\)](#)

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:

See [Exhibit B-4: Upward sales](#)

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:

See [Exhibit B-5: Upward selling expense](#)

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:

See [Exhibit B-5.2: Source for B-5 Upward selling expense](#)

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:

See [Exhibit B-5: Upward selling expense](#)

B-6 Historical export 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 year ending 31 March for 2017, 2018 and 2019 (i.e. year ending 31 March 2017, etc.). This includes exports to Australia sold through a domestic customer.
 - You must provide this list in electronic format using the template provided.

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

Answer:

See [Exhibit B-6: Historical Sale and Exhibit B-6.1 – Soucre for Historical sale \(B-6\)](#)

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:

- Aluminum-zinc alloy coated steel sheets (NOF technology).
Being manufactured by the advanced NOF technology and friendly environment, aluminum-zinc alloy coated steel sheets meet the standards of ASTM A792/A792M (US), AS 1397 (Australia), JIS G3321 (Japan), MS 1196 (Malaysia) and EN 10346 (Europe). The products' surfaces are glossy, silvery, anti-erosive, effectively heat-resistant and flexibly designed with 4 times higher durability than other common kinds of steel sheet product.
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: According to MCC construction requirements, the width section of goods is divided into 2 sub-categories:

- < 600mm: 1
- ≥ 600mm: 2.

However, for HSG goods, due to the large difference in raw materials, the width of the goods is an important factor in determining production prices and selling prices. We would like to split the width larger than 600mm into 02 identifiers, specifically:

- ≥ 600mm to <1000mm: 2;
- ≥1000mm: 3;

We believe that this division helps to better define goods.

According to the construction of this MCC, the list of MCCs is as follows:

MCCs to Australia
N-2-D-3-3-C
N-2-F-2-2-C
N-2-F-2-3-C
N-2-F-4-3-C

The list of MCCs follow ADC's MCC structure:

MCCs to Australia
N-2-D-3-2-C
N-2-F-2-2-C
N-2-F-4-2-C

C-2 Models sold in the domestic market

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

Answer:

- Aluminum-zinc alloy coated steel sheets (NOF technology).
Being manufactured by the advanced NOF technology and friendly environment, aluminum-zinc alloy coated steel sheets meet the standards of ASTM A792/A792M (US), AS 1397 (Australia), JIS G3321 (Japan), MS 1196 (Malaysia) and EN 10346 (Europe). The products' surfaces are glossy, silvery, anti-erosive, effectively heat-resistant and flexibly designed with 4 times higher durability than other common kinds of steel sheet product.
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: As stated in the answer of the question C-1.2, the list of MCCs is as follows:

N-1-A-1-2-C	N-1-F-4-3-C	N-2-D-4-3-C	N-2-G-5-3-C	P-1-D-2-2-C	P-2-A-2-3-C
N-1-A-1-3-C	N-1-F-5-3-C	N-2-D-5-3-C	N-3-D-5-3-C	P-1-D-2-3-C	P-2-D-1-3-C
N-1-A-2-2-C	N-1-G-1-2-C	N-2-E-2-3-C	N-3-D-6-3-C	P-1-D-3-3-C	P-2-D-2-3-C
N-1-A-2-3-C	N-1-G-1-3-C	N-2-E-5-3-C	N-3-G-1-3-C	P-1-D-4-3-C	P-2-D-3-3-C
N-1-A-3-3-C	N-1-G-2-2-C	N-2-F-1-2-C	N-3-G-2-3-C	P-1-D-5-3-C	P-2-D-4-3-C
N-1-C-5-3-C	N-1-G-2-3-C	N-2-F-1-3-C	N-3-G-3-2-C	P-1-E-4-3-C	P-2-F-1-2-C
N-1-D-1-2-C	N-1-G-3-2-C	N-2-F-2-2-C	N-3-G-4-3-C	P-1-F-1-2-C	P-2-F-1-3-C
N-1-D-1-3-C	N-1-G-3-3-C	N-2-F-2-3-C	N-3-G-5-3-C	P-1-F-1-3-C	P-2-F-2-2-C
N-1-D-2-2-C	N-1-G-4-3-C	N-2-F-3-2-C	N-3-G-6-3-C	P-1-F-2-2-C	P-2-F-2-3-C
N-1-D-2-3-C	N-1-G-5-3-C	N-2-F-3-3-C	P-1-A-1-2-C	P-1-F-2-3-C	P-2-F-3-3-C
N-1-D-3-3-C	N-2-A-2-2-C	N-2-F-4-3-C	P-1-A-1-3-C	P-1-F-3-2-C	P-2-F-4-3-C
N-1-D-4-3-C	N-2-A-2-3-C	N-2-F-5-3-C	P-1-A-2-2-C	P-1-F-3-3-C	P-2-F-5-3-C
N-1-D-5-3-C	N-2-A-3-2-C	N-2-G-1-2-C	P-1-A-2-3-C	P-1-F-4-3-C	P-2-G-2-3-C
N-1-F-1-2-C	N-2-A-5-3-C	N-2-G-1-3-C	P-1-A-3-3-C	P-1-F-5-3-C	P-2-G-3-3-C
N-1-F-1-3-C	N-2-C-5-3-C	N-2-G-2-2-C	P-1-A-4-3-C	P-1-G-1-2-C	P-2-G-5-3-C
N-1-F-2-2-C	N-2-D-1-3-C	N-2-G-2-3-C	P-1-A-5-3-C	P-1-G-1-3-C	P-3-D-5-3-C
N-1-F-2-3-C	N-2-D-2-3-C	N-2-G-3-2-C	P-1-C-5-3-C	P-1-G-2-2-C	N-1-F-1-2-S
N-1-F-3-2-C	N-2-D-3-2-C	N-2-G-3-3-C	P-1-D-1-2-C	P-1-G-2-3-C	P-1-F-1-2-S
N-1-F-3-3-C	N-2-D-3-3-C	N-2-G-4-3-C	P-1-D-1-3-C	P-1-G-5-3-C	

The list of MCCs follows ADC's MCC structure:

N-1-A-1-2-C	N-1-G-5-2-C	N-2-G-2-2-C	P-1-D-2-2-C	P-2-A-2-2-C	P-2-G-5-2-C
N-1-A-2-2-C	N-2-A-2-2-C	N-2-G-3-2-C	P-1-D-3-2-C	P-2-A-2-2-C	P-3-D-5-2-C
N-1-A-3-2-C	N-2-A-3-2-C	N-2-G-4-2-C	P-1-D-4-2-C	P-2-D-1-2-C	P-3-D-5-2-C
N-1-D-1-2-C	N-2-A-5-2-C	N-2-G-5-2-C	P-1-D-5-2-C	P-2-D-1-2-C	N-1-F-1-2-S
N-1-D-2-2-C	N-2-C-5-2-C	N-3-D-5-2-C	P-1-E-4-2-C	P-2-D-2-2-C	P-1-F-1-2-S

N-1-D-3-2-C	N-2-D-1-2-C	N-3-D-6-2-C	P-1-F-1-2-C	P-2-D-2-2-C	
N-1-D-4-2-C	N-2-D-2-2-C	N-3-G-1-2-C	P-1-F-1-2-S	P-2-D-3-2-C	
N-1-D-5-2-C	N-2-D-3-2-C	N-3-G-2-2-C	P-1-F-2-2-C	P-2-D-3-2-C	
N-1-F-1-2-C	N-2-D-4-2-C	N-3-G-3-2-C	P-1-F-3-2-C	P-2-D-4-2-C	
N-1-F-1-2-S	N-2-D-5-2-C	N-3-G-4-2-C	P-1-F-4-2-C	P-2-D-4-2-C	
N-1-F-2-2-C	N-2-E-2-2-C	N-3-G-5-2-C	P-1-F-5-2-C	P-2-F-1-2-C	
N-1-F-3-2-C	N-2-E-5-2-C	N-3-G-6-2-C	P-1-F-5-2-C	P-2-F-2-2-C	
N-1-F-4-2-C	N-2-F-1-2-C	P-1-A-1-2-C	P-1-G-1-2-C	P-2-F-3-2-C	
N-1-F-5-2-C	N-2-F-2-2-C	P-1-A-2-2-C	P-1-G-1-2-C	P-2-F-4-2-C	
N-1-G-1-2-C	N-2-F-3-2-C	P-1-A-3-2-C	P-1-G-2-2-C	P-2-F-5-2-C	
N-1-G-2-2-C	N-2-F-4-2-C	P-1-A-4-2-C	P-1-G-2-2-C	P-2-G-2-2-C	
N-1-G-3-2-C	N-2-F-5-2-C	P-1-A-5-2-C	P-1-G-5-2-C	P-2-G-3-2-C	
N-1-G-4-2-C	N-2-G-1-2-C	P-1-D-1-2-C	P-1-G-5-2-C	P-2-G-5-2-C	

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:

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

Answer: Yes, HSG uses product codes

(a) and (c) See [Exhibit C-3.1: Matching Product code to MCC](#)

(b) Method to match: The list of product code will have separate qualification for each MCC's element .Then Vlookup fomular will be used to find the value and corresponding MCC

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:

- Marketing and advertising activities
HSG will find the talent customer through marketing channel
- Receiving enquiries:
Hoa Sen Group [receives enquiries via email, telephone or meeting with customers].
- Checking availability:
Salesman checks stock or the availability of materials and production capacity.
- Price negotiation:
Hoa Sen Group offers prices to customers. Both parties will negotiate to get a final price.
- Negotiation & confirmation:
Depends on sales term, Hoa Sen Group and customers negotiate in order to reach agreements.
- Delivery is determined for each purchase order, whether HSG delivers to customer or customer receives the goods by their own trucks at HSG's warehouses.

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: Yes. HSG have sold the goods to related customer. See [Exhibit D-1/Exhibits D-1.2 - List of related customers](#)

HSG applies the same sales process to all classes of customers without discrimination between related customers and unrelated customers

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

Answer:

See [Exhibit H-4.6 Price list](#).

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: Yes, our domestic selling prices vary according to the distribution channel identified. We have a system of sales branches. We use prices policy to sell to our affiliates. Please refer to [Exhibit H-4.6](#).

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:

No, HSG does not have any discount or discount policy for foreign customers, but during the price negotiation, the two sides will negotiate until the best price is reached and the invoice price is the final price of the order

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:

No debit/credit notes to customers

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 HSG, The invoice date will be taken to be the date of sale

D-2 Domestic sales listing

- 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:

See [Exhibit D-2 Domestic Sale](#)

Note: We have added the COGS column attributable to the goods in the POI. This column is used to

[analysis of domestic profitability]

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

Answer:

See [Exhibit D-2/Exhibit D-2.2 Source for Domestic Sale](#)

D-3 Sample domestic sales documents

1. Select the two largest invoices by value and provide the following documentation:
 - Contracts
 - Purchase order and order confirmation
 - Commercial invoice and packing list
 - Proof of payment and accounts receivable ledger
 - Documents showing bank charges
 - Delivery invoices

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

Answer:

See [Exhibit D-3/Exhibit D-3.1 - Sample Document for Domestic Sale](#)

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:

See [Exhibit D-3/Exhibit D-3.2 - Reconcile sample document to sale data](#)

D-4 Reconciliation of sales to financial accounts

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

1. Please complete the worksheet named “B-4 Upwards sales” to demonstrate that the sales listings in 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:

See [Exhibit B-4/Exhibit B-4 Upward Sale](#)

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

Answer:

See [Exhibit B-4/Exhibit B-4.2 – Source for Upward sale](#)

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:

PUBLIC VERSION

- 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: See [Exhibit B-4/Exhibit B-4 Upward sale for details](#)

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) No, HSG has fixed regulation for payment term as details following:

- As for available goods: Deposit is not required
- As for unavailable goods: Deposit at least 10% before 3 days form sale order, if not, HSG will cancel the order
- Remaining payment: The customers have to pay remaing account payable in 3 days from delivery date but before they receive the goods
- If the customers can show the letter of guarantee, with the value of the letter covering all remaining debts, customers can pay in 20/30 days from the date of delivery

Please refer to [Exhibit E-1. Credit expense](#)

(b). Yes, HSG has had short term borrowing

Details in [Exhibit L-6/Exhibit L-6.3: List of borrowings](#)

(c) No, HSG does not have any deposits other cash product.

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:

- (a) No, HSG did not provide any credit to Australia customers
- (b) i. Details in [exhibit L-6.3: List of borrowings \(with currency in USD\)](#)
ii. HSG does not have any term deposits or other cash products in foreign currency

E-2 Packaging

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

Answer: HSG doesn't use packaging for our domestic sales of like goods. There are no packaging expense for domestic sale

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

Answer: HSG doesn't use packaging for our export sales of the goods to Australia. There is no packaging expense for for Australia sale.

3. If there are distinct differences in packaging between your domestic and export sales:

- (a) Provide details of the differences
- (b) Calculate the weighted average packaging cost for each model sold on the domestic market
- (c) Calculate the weighted average packaging cost for each model exported to Australia

Answer: There is no differences between our domestic and export 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:

HSG has allocated the inland freight cost based on the value of each transaction over total revenue of domestic sale

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

Answer:

Almost all in FOB, CFR and one invoice in 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:

HSG has allocated the inland freight cost based on the value of each transaction over total revenue of sale

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:

There were CFR and CIF – include Ocean Freight.
In B-2, calculated ocean freight cost based on actual exporting document, invoices of ocean freight.

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:

Only the shipment/ contract with CIF incoterm (only [REDACTED]) has marine insurance. In B-2, this expense is calculated based on the invoice of insurance fee.

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:

Australian sales did not include 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:

HSG only have sale commissions for Domestic sales, details as following:

- Scope: All products of company
 - Commission will be negotiated and controlled by the appraisal council of 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: Yes, there are some differences in tax liability between domestic and export sales.

- As for VAT tax, VAT for domestic sale is 10%, and there is no VAT for exported good.
 - In HSG records, VAT is recored separate with the value of good. Recorded revenue has not included VAT
 - HSG have not received any VAT refund in relation to sale of goods or like goods
 - HSG have not received the remission or drawback of import duties on inputs
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: Yes, HSG have some direct selling expense as following:

1. Tools for selling expense: This cost consists of expenses for some vehicle supporting for selling such as tractor trailer, trucks ..., tools expense for transportation vehicles for inland freight..
2. Bank charge: This expense includes bank fee for selling goods

3. Insurance: HSG recorded separately insurance for exporting and domestic sale. Details in [Exhibit B-5/Exhibit B-5.2](#)
4. Sample expense: This cost covers all expenses for making Sample goods as well as catalog or brochure for selling
5. Store, warehouse expense: This cost is the renting expense for warehouse

All these above expense are allocated as in [Exhibit D-2/Exhibit D-2 Domestic sale](#)

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:

HSG have some direct selling expense as following:

1. Bank charge: This expense includes Fee relating to L/C and TT and others such as bank fee for receiving payment from customer...
2. Other costs: This expense includes inspection fee, fumigation fee, parking fee at port....

All these above expense are allocated as in [Exhibit B-2/Exhibit B-2 Australia sale](#)

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:

No adjustment needed

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:

The sale process described in B-1.1 uses for all market in all 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:

HSG done have related customer in third country for investigated product

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:

The invoice date will be taken to be the date of sale

F-2 Third country sales listing

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

Answer:

See [Exhibit F-2/Exhibit F-2 Third country sales](#)

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

Answer:

See [Exhibit F-2/ Exhibit F-2.2 – Source for Third country sales \(F-2\)](#)

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 are no differences in sales to third countries and to Australia

SECTION G

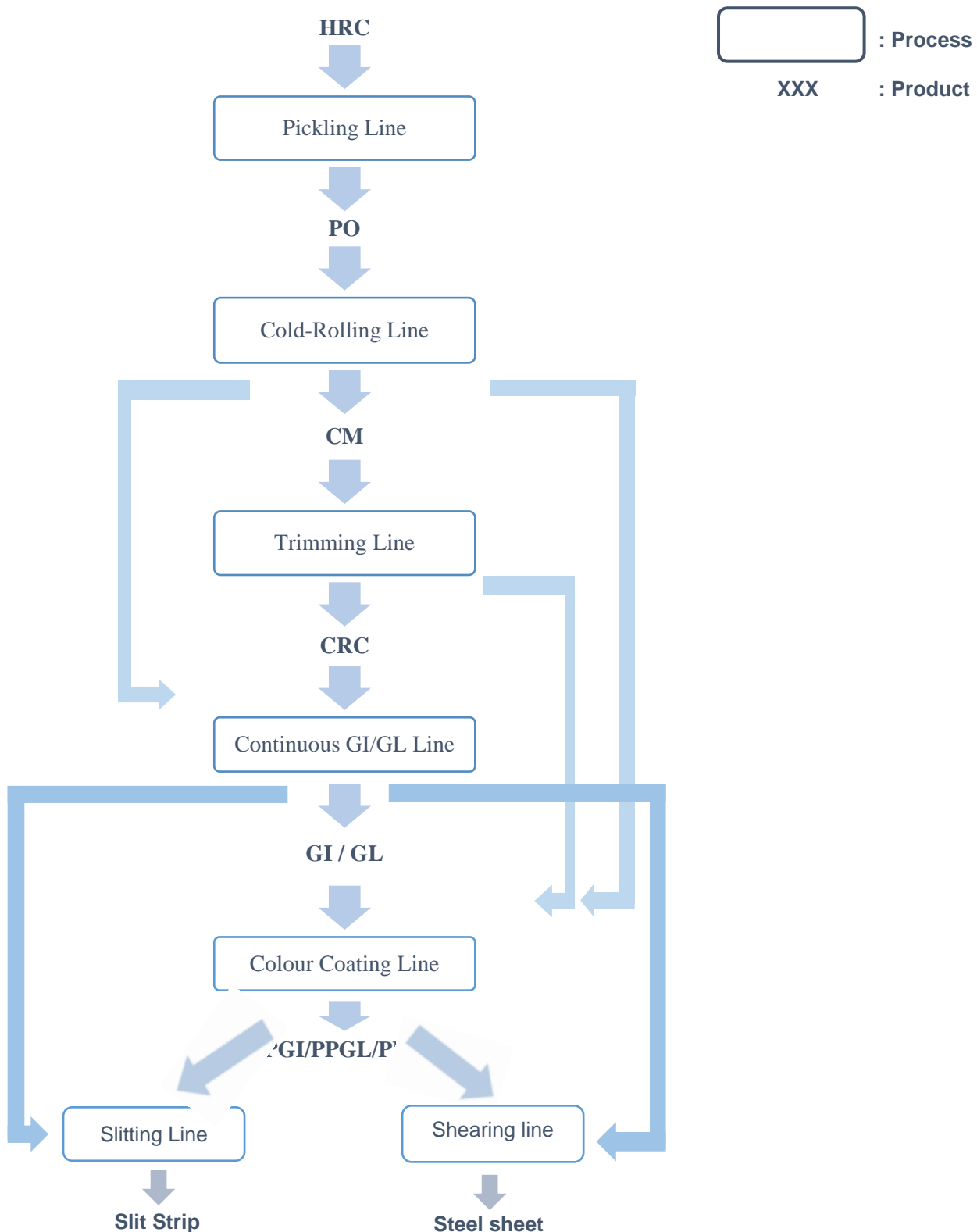
COST TO MAKE AND SELL

G-1. Production process

- 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:

FLOWCHART OF THE PROCESS



Technical description of each stage of the process:

- Pickling line is used for removing impurities, such as stains, rust on the surface of Hot-rolled coils (HRC). The product of pickling line is Pickled and Oiled Steel (PO).
- Cold-rolling line is used for reducing thickness of Pickled and Oiled Steel which passed through rollers. The product of Cold-rolling line is Cold-milled steel.
- Trimming line is used for trimming edges of Cold-milled steel to gain the specific width. The product of Trimming line is Cold-rolled steel.
- Continuous GI/GL Line is used for coating on the surface of steel (Cold-milled steel or Cold-rolled steel) with the zinc layers or aluminium-zinc alloy layers. The product of Continuous GI/GL Line is Galvanized steel or Aluminium-Zinc alloy coated steel.
- Colour coating line is used for coating on the surface of steel (Cold-milled steel, Cold-rolled steel, Galvanized steel or Aluminium-Zinc alloy coated steel) with paint layers. The product of Colour coating line is Prepainted Cold-rolled steel, Prepainted galvanized steel or Prepainted Aluminium-Zinc alloy coated steel.
- Slitting line is used for slitting flat steel into specific widths.
- Shearing line is used for shearing the flat steel in coil into sheets.

Specify all scrap or by-products that result from producing the goods:

- Scrap from the producing process is net-off the cost of direct raw materials

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:

HSG bought Cold-rolled coil from three subsidiaries. Details in [Exhibit G-1/Exhibit G-1.2 - Supplier of CRC in POI](#)

G-2. Cost accounting practices

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

Answer:

HSG's cost accounting system based on actual costs

2. If your company uses standard costs:
 - (a) Were standard costs used as the basis of actual costs in your responses G-3.1 and 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:

HSG's cost accounting system based on actual costs

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

Answer:

HSG has only one cost centre in its accounting system, does not have separate cost centres.

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

Answer:

Cost accounting system can record Grade, BMT, coating mass and width

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

Answer:

There are no costs for management accounting purposes

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:

There are no engagement in any start-up operation

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:

It is weighted average method

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

Answer:

It is based on quality specification from quality control department

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

Answer:

It is based on quality specification from quality control department

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

Answer: No, the management fees/corporate allocations aren't charged to our company by any company.

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:

See [Exhibit G-3/Exhibit G-3 Domestic CTM](#)

2. Provide a table listing the source of the data for each column of the "G-3 Domestic CTM" listing.

Answer:

See [Exhibit G-3/Exhibit G-3.2 – Source for Domestic CTM](#)

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:

See [Exhibit G-4/Exhibit G-4 SG&A listing](#)

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:

See [Exhibit G-4/Exhibit G-4.2 Domestic SG&A calculation](#)

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:

See [Exhibit G-5 Australia CTM](#)

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

Answer:

See [Exhibit G-5/Exhibit G-5.2 List of source for Australia CTM](#)

G-6 Cost allocation method

1. What is the allocation method used to complete in G-3 domestic CTM and G-5 Australian CTM for:
 - (a) Raw materials
 - (b) Labour
 - (c) Manufacturing overheads

Answer:

Cost of Production is calculate for each item, each inventory, each line and report in OPM077

(a). Raw material

RM = raw material cost – scrap value

(b). Labour

All direct labour costs at factory are recorded at account [622] in the accounting system. For each product, there is a report named ["077 – cost of production]" describe in detail how direct labour, raw material, overhead and other cost of production are allocated to each product of the company.

(c). Manufacturing overheads

All factory overhead costs at factory are recorded at account [627] in the accounting system. For each product, there is a report named ["077 – cost of production]" describe in detail how direct labour, raw material, overhead and other cost of production are allocated to each product of the company.

Detail in [Exhibit G-6/Exhibit G-6.1 – Example for Cost Allocation \(OPM077\)](#)

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 method described in G-6.1 from your normal cost accounting system to the cost for that model reported in G-3.1.

Answer:

Detail in [Exhibit G-6/Exhibit G-6.2 – Illustration Cost production for A domestic model](#)

G-7 Major raw material costs

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

Answer:

HSG uses Cold-rolled coil as major raw material

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:

See [Exhibit G-7/Exhibits G-7.2 Raw Material CTM](#)

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:

See [Exhibit G-7/Exhibits G-7.3 Percentage of each raw material cost](#)

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:

See [Exhibit G-7/Exhibits G-7.4 Raw material purchases](#)

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

Answer:

See [Exhibit G-7/Exhibits G-7.5 Source for Raw material purchases](#)

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:

See [Exhibit G-7/Exhibits G-7.6 Document for raw material and reconcile](#)

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:

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:

See [Exhibit G-8/Exhibit G-8 Upward costs](#)

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:

See [Exhibit G-8/Exhibit G-8.3 Source for Upward costs](#)

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:

See [Exhibit G-8/Exhibit G-8 Upward costs](#)

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

Answer:

- See [Exhibit G-9 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:

HSG operates under the provisions of Vietnamese Law, the activities in which HSG has interactions with the Government of Vietnam are as follows:

- a) [REDACTED]
- b) [REDACTED]
- c) [REDACTED]
- d) [REDACTED]
- e) [REDACTED]
- f) [REDACTED]
- g) [REDACTED]
- h) [REDACTED]

During period of investigation,

[REDACTED]

Please refer to [Exhibit H-1.1 \(2 exhibits\)](#).

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:

HSG is not State-owned enterprise and has no investment capital of State;

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 Board of Directors of HSG: Please see the [answer of the question A-2.4](#)
- HSG's Board of Shareholders: Please refer to [Exhibit H-2.1 List of shareholders](#).
- HSG related businesses: Please refer to [Exhibit A-2.5 Organizational Legal Entities Structure](#).

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

Answer:

The common directors and officers between HSG and other related businesses as follows:

- Each Subsidiary has a Chairman who is a member of the Board of Directors and Board of Directors of the Group, and Each Subsidiary has its own Board of Directors and the Board of Directors is responsible for daily reporting on business and production to HSG
- Staff and Joint Director information between the Parent Company and its Subsidiaries: please refer to [Exhibit H-2.3. Information About Subsidiaries](#).

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: No, Members of the Board of Directors or representatives of the General Meeting of Shareholders, employees of HSG are not affiliated with the Government of Vietnam (according to the detailed list presented in [question No. 2 part H-2](#))
And these individuals and organizations have no affiliation with the Vietnamese government.

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:

No, the Board of Directors and / or the General Meeting of Shareholders of HSG (and / or all other entities to which HSG is related) does not represent the Government of Vietnam (detailed list is presented in [Questions 2 and 4 part H-2](#))
HSG's Board of Directors or Board of Shareholders have no representation for 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, members of the Board of Directors or the Board of Shareholders aren't appointed or referred by the Government of Vietnam. (Please see the list Members of the Board of Directors or the Board of Shareholders of HSG in the answer to [questions 2 of section H-2](#)).

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:

No shareholder of HSG is a branch, agent or other representative of the Vietnamese government. HSG's shareholders are [REDACTED].

Please refer to [Exhibit H-2.2 List of Shareholders](#) for the percentage of all shares.

With HSG's list of shareholders as above, there are no HSG shareholders who are branches, agents or other representatives of the government.

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

Answer:

During the investigation period, the capital structure of HSG changed as follows:

- 1-
- 2-
- 3-
- 4-
- 5-
- 6-

Please refer to [Exhibit H-2.8 \(12 exhibits\)](#).

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

Answer:

There isn't any position of HSG that appointed by the Government of Vietnam or acting on their behalf. HSG is not a state-owned or an SOE-invested enterprise (shareholder structure in answers to [questions No 2 in this section](#)), HSG therefore operates under the provisions of the law, gets the full authority to appoint, remove positions in the company without being assigned or acting on behalf of the Vietnamese 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:

HSG is not a state-owned or an SOE-invested enterprise (shareholder structure in [answers to questions No 2 in this section](#)), therefore no position of HSG that appointed by Vietnamese authorities or acting on behalf of them.

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:

HSG has listed and issued shares in accordance with Circular No. 162/2015 / TT-BTC dated October 26, 2015, Circular guidelines on public offering, stock swap, issuance of additional stocks, repurchase of shares, sale of treasury stocks and tender offer, issued by the Minister of Finance. Specifically, HSG must meet the conditions for public offering of stocks, complete the registration file in accordance with the law, then follow the procedures prescribed by law. The Company's shares are listed on the Ho Chi Minh City Stock Exchange with the stock code HSG.

Please refer to [Exhibit H-2.11 Circular No.162_2015 TT-BTC_307340](#).

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

Answer:

HSG does not have information of monthly trading volume and average monthly trading price of HSG's listed security over the period. These information listed on HoChiMinh Stock Exchange's website.

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

Answer:

Shareholders and Board of Directors of the enterprise are rewarded, fired or disciplined HSG's senior manager:

- The General Meeting of Shareholders has the right to appoint, dismiss, exempt or replace members of the Board of Directors;
- The Board of Directors has the right to appoint, remove or dismiss, and to enter into or terminate labor contracts with the General Director or, any managerial officers of the Company at the request of the General Director and other important managers in accordance with the provisions of the Company Charter

Thus, HSG holds the full right to reward, fire or discipline senior managers in accordance with the company's charter without being influenced by any other organization / individual.

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: No, HSG senior managers don't hold positions in any government agency, organization, association or chamber of commerce. Therefore, HSG does not have any senior managers to hold positions in any government agency, organization, association or chamber of commerce

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

Answer: There is no pricing committee of HSG.

H-3 Licensing

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

Answer:

Copies of Certificate of Business Registration during the entire operation period, including 01 first registration and 35 registering changes. Please refer to [Exhibit H-3.1 Certificate of business registration](#). (The copies and the translations)

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

Answer:

Pursuant to Article 13 of Decree No. 78/2015 / ND-CP, the Business Registration Office which is affiliated to the Department of Planning and Investment of Binh Duong province is responsible for issuing the Business Registration Certificate for HSG.

Please refer to [Exhibit H-3.2 Decree No. 78 2015 ND-CP 291395](#).

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

Answer:

Procedures for licensing Business Registration Certificate (as stated in the response to the question No.1, section H-3) of HSG is carried out as stipulated in Article 27 of Decree No. 78/2015 / ND-CP.

Please refer to [Exhibit H-3.2 Decree No. 78 2015 ND-CP 291395](#).

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

Answer:

HSG needs meet the following requirements and conditions prescribed by law to be granted a business registration certificate. Pursuant to Clause 1, Article 28 of Law on Enterprises No. 68/2014/QH13, "

"The enterprise shall be granted the Certificate of Business registration when the following conditions are satisfied:

- a) The registered business lines are not banned;
- b) The enterprise's name is conformable with regulations in Articles 38, 39, 40, and 42 of this Law;
- c) The application for business registration is satisfactory;
- d) The fee for enterprise registration is fully paid as prescribed by regulations of law on fees and charges."

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

Answer:

HSG is not subject to any restrictions by the Certificate of Business Registration, HSG operates under the business lines, commodities, locations, and offices registered on the Certificate of Business Registration in accordance with Law on Enterprises No. 68/2014/QH13.

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

Answer:

If HSG operates outside the scope of the business license, HSG will be sanctioned according to Clause 7, Article 1 of Decree 124/2015 / ND-CP dated November 19, 2015 amendments and supplements to a number of articles of the Government's decree No. 185/2013/ND-CP dated November 15, 2013 Regulating penalties for administrative violations in commercial activities, production and trading in counterfeit and banned goods, and protection of consumer rights, specifically:

1. "A fine from VND 1,000,000 - 2,000,000 with respect to business activities conducted on locations or head offices inconsistent with Certificate of Business registration.
2. "A fine from VND 2,000,000 - 3,000,000 with respect to business activities in the form of business households without Certificate of business household registration as prescribed.
3. "A fine from VND 3,000,000 - 5,000,000 with respect to business activities in the form of enterprises without Certificate of Enterprise registration as prescribed.
4. "A fine from VND 5,000,000 - 10,000,000 with respect to acts of continuing business activities which are currently being suspended by competent state management agencies or with Certificate of Business registration being revoked.
5. A fine twice the level for violations as prescribed from Clauses 1 – 4, this Article shall be applied with respect to conditional business lines and trades."

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

Answer:

HSG has not benefited any special benefits under the business registration certificates, all of HSG's rights and duties are applied complying with the Vietnamese laws for all Vietnamese enterprises within the territory of Viet Nam.

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

Answer:

Pursuant to Article 211 of the Law on Enterprises 2014 and Clause 26 Article 1 of the Law amending and supplementing a number of articles of the Law on Tax Administration, an enterprise shall have its Certificate of Business registration revoked in the following cases:

1. The information provided in the application for enterprise registration is false;
 2. The enterprise is established by persons banned from enterprise establishment as prescribed in Clause 2 Article 18 of Law on Enterprises;
 3. The enterprise's business operation is suspended for 01 year without notifying the business registration authority and tax authority;
 4. The enterprise fails to submit reports as prescribed in Point c Clause 1 Article 209 of Law on Enterprises to the business registration authority within 06 months from the deadline or from the receipt of a written request;
 5. Other cases decided by the Court.
 6. In case of Implementing measures for enforcing the administrative decisions on taxation.
- The agency competent to revoke business registration certificates is the Business Registration Office. (According to Clause 19, Article 1 of Decree 108/2018 / ND-CP dated 23/8/2018 on amendments to some articles of the government's Decree No. 78/2015/ND-CP dated September 14, 2015 on enterprise registration)

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:

HSG's business decision-making structure is as follows:



- To better understand, please refer to the [redacted] file.

- a. [redacted]
- b. [redacted] shown in [Exhibit H-4.1 Manufacturing process.](#)
- c. [redacted]
- d. [redacted]
- e. [redacted]

Please refer to [Exhibit H-4.1 Manufacturing process \(2 exhibits\).](#)

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:

HSG is not a state-owned enterprise, it has no state investment capital, so all decision-making process respecting your manufacture, marketing and selling goods are made by HSG (not contrary to the prohibitions of Vietnamese law) without being influenced or directed by the Government of Vietnam.

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 not any government department or office involved in the manufacture, sale or purchase of the goods of HSG, either directly or indirectly. All of HSG's customers and suppliers are not involved in government departments/offices.

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:

Types of reports that must be submitted to the Government of Vietnam periodically by HSG is as follow:

- Annual financial reports for Financial Institutions, Tax authorities, Statistical offices, Business Registration offices, the State Securities Commission and the Stock Exchange. The submission of financial statements is implemented by HSG in accordance with the law in Article 110 of Circular No. 200/2014 / TT-BTC dated December 22, 2014 on Guidelines for accounting policies for enterprises;
- Report on the use of invoices is submitted to the direct tax administration (According to Article 27 of Circular 39/2014 / TT-BTC on the deadline for submitting invoice use reports).
- Statistical report is submitted to the General Statistics Office under Decision No. 77/2010 / QD-TTg on the Basic Statistical Reporting System applicable to state-owned enterprises, enterprises and investment projects. Foreign direct investment issued by the Prime Minister on November 30, 2010, expires on January 3, 2020;
- Tax report is submitted to the tax authorities according to Circular 156/2013 / TT-BTC Guidance on some articles of the Law on Tax administration, the law on the amendments to the law on tax administration, and the government's Decree No. 83/2013/ND-CP/ ND-CP issued by the Minister of Finance on November 6, 2013.

Please refer to [Exhibit H-1.1 \(2 exhibits\) and Exhibit H-4.4 Decree No. 77 2010 QD-TTg.](#)

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

Answer:

Please refer to [Exhibit H-4.5 Exhibit H-4.5 List of General Meeting of Shareholders minutes in POI](#) and [Exhibit H-4.5 Minutes of the annual general meeting of shareholders](#)

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

Answer:

Please refer to [Exhibit H-4.6 \(2 Exhibits\)](#).

H-5 Financial and investment activities

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

Answer: [REDACTED]

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

Answer:

The interest rates of HSG's [REDACTED]:

1. [REDACTED]:

- In 2016: %;
- In 2017: %;
- In 2018: %;
- In 2019: %;

2. [REDACTED]

- In 2018: %;
- In 2019: %;

In 2020, [REDACTED].

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

Answer: No, HSG has not benefited from any concessional interest rates for its loans/debts in the last 5 years. The interest rate for debt is determined by the [REDACTED].

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: [REDACTED]

- a. [REDACTED];
- [REDACTED];
- [REDACTED];
- b. [REDACTED]
- c. [REDACTED]

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

Answer: No, HSG does not have any policy on how cash reserves are invested.

Pursuant to Point c, Clause 2, Article 6 of Circular 119/2014 / TT-BTC dated August 25, 2014 amending Circular 156/2013 / TT-BTC, 111/2013 / TT-BTC, 219/2013 / TT-BTC, 08/2013 / TT-BTC, 85/2011 / TT-BTC, 39/2014 / TT-BTC and 78/2014 / TT-BTC dated July 18, 2014 of the Ministry of Finance to simplify tax formalities. "There is proof of non-cash payment for each invoice for goods and services of at least VND 20 million (including VAT)."

Therefore, HSG's transactions and investments [REDACTED]

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: No, HSG did not invest in any government securities during the investigation period. During the period of investigation, HSG has invested in [REDACTED]:

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: No, there are not any opinions, directives, decrees, promulgation, or measures of the Government of Vietnam involving the investigated goods during the investigation, but about the general steel industry, one of the Vietnamese government's opinions, directives, decrees, promulgations, measures, etc. concerning the industry of the goods that were put in place or operating during the period:

- Decree No. 40/2019/ND-CP On Amendments to Decrees on Guidelines for the law on Environment protection.

Please refer to [Exhibit H-6.1 for Original and English version of the Circular.](#)

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 aren't any government agencies responsible for the administration of all Government of Vietnam measures relating to the commodity industry in the regions, provinces, or special economic zones in Binh Duong and Vung Tau.

Agencies such as the Government, the Ministry of Science and Technology, and the Customs Department are responsible for the administration of all Government of Vietnam measures concerning the industry of the goods.

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:

HSG does not provide any information, plans, policies, or measures to at all levels of government of Viet Nam.

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

Answer: No, HSG does not provide information relating to assessments of the implementation of the plan, policy or 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: No, HSG has not been recognized as any government 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:

HSG has not been impacted by Government of Vietnam's Steel Master Plan or Industrial Development Strategy.

H-7 Taxation

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

Answer: No, the same as other countries in the world and Australia, HSG was not liable for the export tax on the subject goods during the investigation period.

According to Article 16 of the 2016 Law on Import Tax and Export Tax, the subject goods are not liable for export tax during the period of investigation.

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

Answer:

HSG is only entitled to a refund of import VAT corresponding to the [REDACTED].

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: No, there have not been any changes to the value-added tax rebate applicable to exports of the goods in the last 5 years. The VAT exemption policy for exported goods has been implemented since 2013 according to Article 9 of Circular No. 219/2013 / TT-BTC and it is still valid.

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

Answer: No, HSG 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:

[REDACTED] is the person who authorises the terms of the sales, prices of the goods at HSG.

[REDACTED] is responsible for approving other contract provisions for the sale of the goods.

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:

HSG is not subject to the imposition or any requirements on the prices of the government of Vietnam. The prices of goods are directly determined by the HSG.

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: No, HSG does not coordinate the selling prices or supply goods to other domestic producers or any Government of Vietnam departments. HSG's customers are individuals and enterprises not owned by the State.

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:

HSG just sends production data (about sales, sales volume, production output) to [REDACTED]. (Note that [REDACTED] is a Non-Governmental Organization)

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

Answer:

HSG does not provide price data to any other person at any level of government. Price policies are only circulated within the company.

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: Yes, HSG is a member of the Vietnam Steel Association (VSA).

The Vietnam Steel Association functions as a [REDACTED].

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:

HSG [REDACTED]

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:

HSG submits the Statistical reports to the General Statistics Office (via provincial- level Statistics Offices)

Pursuant to Clause 2, Article 4 of the Law on Statistics 2015, the purposes of statistics are as follows: "Statistical activities outside state statistics aim at providing statistical information to serve research, production and trading by organizations and individuals meeting legitimate demands."

Pursuant to Article 3 of Decision 77/2010 / QD-TTg, the content of the report depends on the monthly, quarterly and annual reporting period. Please refer to Exhibit H-4.4 Decree No. 77_2010_QD-TTg.

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:

[REDACTED]. Please refer to [Exhibit H-10.2](#).

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

Answer: No, the organizations do not approve or assess the submissions because these are regular report type, the enterprise reports on its situation to government agencies.

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

Answer: No, the organizations do not approve or assess the submissions because these are regular report type, the enterprise reports on its situation to government agencies.

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: Yes, products manufactured by HSG comply with international standards such as: [REDACTED]

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

Answer: HSG [REDACTED]

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 not any other restriction to the sale of the goods and/or like goods of HSG imposed by the Government of Vietnam.

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:

Please refer to [Exhibit H-11.4 List of domestic customer](#). There is no HSG's customer is SIE.

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: No, There is not any restriction and/or condition in relation to the quality or quantity of the production of the goods placed upon the HSG. HSG produces goods in accordance with the buyer's specifications and quantity requirements and production capabilities of the business.

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

Answer:

[REDACTED]

Please refer to [Exhibit H-11.6 Decree No. 187/2013 ND-CP](#).

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: No, the goods sold by HSG are not subject to any export restrictions and/or 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:

HSG is not imposed any restrictions on the sale of goods. The sale of goods is determined by HSG at its sole discretion.

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

Answer:

Over the past 5 years, HSG

- ;
- ;

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: No, HSG does not benefit from any concession on the purchase of any utility services. HSG's transactions to use the service are based on agreement and market mechanism.

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:

HSG has not been subjected to any direct or indirect price guidance or control by the Government of Vietnam during the period. The price product is determined independently by HSG.

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:

HSG has not been subjected to any direct or indirect price guidance or control with respect to raw material inputs by the Government of Vietnam during the period. Prices related to input materials has been determined through agreement between buyers, sellers and the market price.

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

Answer:

HSG has not been subjected to any direct or indirect price guidance or control by regional or provincial officials and/or organizations during the investigation. The price product is determined independently by HSG.

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:

The selling price of goods is determined by HSG on the following basis:

- ;
- ;
- ;
- ;

HSG is not subject to any restrictions, limitations or considerations imposed on HSG by any other individual or organization.

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

Answer:

HSG doesn't have any information about the organization/business entity which is the price leader of the good because these prices aren't published.

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: [REDACTED].

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:

HSG does [REDACTED]. Selling price is determined and adjusted on the grounds presented in the answer for question number H-12.4.

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 stated in answer to question number H-8.1, [REDACTED], is the person who authorizes the terms of the sales, prices of the goods at HSG.

[REDACTED] is responsible for approving other contract provisions for the sale of the goods by HSG.

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:

HSG's production facilities are located in different regions. However, there is no specific law or regulation for each region on prices of goods. Prices are generally determined according to [REDACTED] [price determination].

H-13 Adding capacity and/or joint ventures

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:

The Vietnamese government does not approve of adding capacity and/or joint ventures in relation to HSG.

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: No, Vietnamese government does not have the right to request modifications in the terms of adding capacity and/or joint ventures.

H-14 Raw materials

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

Answer: [REDACTED]:

[REDACTED]
[suppliers]

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

Answer: No, HSG does not buy raw materials from state-owned enterprises.

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

Answer:

Imported materials of HSG are the goods subject to [REDACTED] % import duty rate.

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

Answer: Yes, the purchase price of raw materials between different suppliers depends on [redacted]
[redacted] [factors affecting price].

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:

HSG's purchasing process is shown in section 5. Contents implemented in HSG's Purchase Process (Please refer to the [Exhibit H-14.5 Purchase Process](#)).

Accordingly, the selection of the supplier implemented at Steps 4 -5 - 6 of the Purchasing Process. Please refer to the Purchase Process file.

6. If any of your raw materials for the goods and/or like goods are imported by your business, or related businesses:

- Provide details including a description of the raw material imported, the supplier and country of origin.
- Explain the process required to import the raw materials (e.g. obtaining an import licence, import declarations).
- Provide details of any conditions to importing the raw materials (e.g. customs and/or quarantine).
- Are you eligible for a duty drawback? If yes, provide details.

Answer:

a. Please refer to [Exhibit H-14.6 Material purchase list](#).

b. HSG follows the procedures specified in the Law on Customs 2014. Please refer to [Exhibit H-14.6 Law 54 2014 QH13](#).

c. HSG complies with the government's regulations on importing raw materials, and is not subject to any other specific conditions.

d. HSG applies 0% import duty rate, so HSG is not entitled for a duty drawback.

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?

- 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.
- If there is a difference in selling prices between related and unrelated parties, please provide reasons as to why.

Answer:

[redacted]
[redacted] [Details of selling activities].

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;
 - (b) Provide the sources of demand for the goods in Vietnam, including the categories of customers, users or consumers of the product;
 - (c) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b);
 - (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;
 - (e) Describe any market segmentations in Vietnam; such as geographic or product segmentations;
 - (f) Provide an estimated proportion of sales revenue from each of the market segments listed in (e);
 - (g) Describe the way in which Vietnamese and imported goods compete in the Vietnamese market;
 - (h) Describe the ways that the goods are marketed and distributed in the Vietnamese market; and
 - (i) Describe any other factors that are relevant to characteristics or influences on the Vietnamese market for the goods.

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

Answer:

Overall description of the market in Vietnam, key characteristics and trends over the past five years

In 2020:

[REDACTED]

The first quarter of 2020:

- Steel production of all kinds reached more than [REDACTED] tons, [REDACTED]% over the same period in 2019;
- Sales reached [REDACTED] tons, [REDACTED]% in comparison to the same period in 2019.
- In which, steel exports of all kinds reached [REDACTED] tons, [REDACTED]% compared to the first quarter of 2019.

PRODUCTION SITUATION OF FINISHED STEEL PRODUCTS IN 2020

THE EXPORT-IMPORT STEEL PRODUCTS SITUATION IN 2020

The export-import steel products situation Q1 / 2020:

Import situation:

- Generally, in the first quarter of 2020, the import of iron and steel products into Vietnam was more than █████ tons, with a value of █████ USD.
- After 3 months, the amount of steel imported from China is nearly █████ tons, with an import value of more than █████ USD, accounting for ███% of the total volume of steel imports and the total import turnover of the country.

Export situation:

- In March 2020, Vietnam exported to foreign markets reached [REDACTED] tons, with a turnover of \$ [REDACTED]. Compared to February 2020 and the same period in 2019, the above exports [REDACTED]% and [REDACTED]% in volume, respectively.
- Steel export value in February 2020 reached [REDACTED] USD, increased [REDACTED]% and [REDACTED]% respectively compared to February 2020 and the same period last year.
- Vietnam exports mainly to Southeast Asian countries, reaching about [REDACTED] tons with a value of \$ [REDACTED] million, accounting for [REDACTED]% of the country's total steel exports and accounting for [REDACTED]% of the total export turnover of Vietnam.

In 2019 :

The domestic steel market in 2019 XX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX, respectively.

Production - sales of steel products:

December 2019:

- Production reached █████ tons, ███% from the previous month's level and ███% over the same period in 2018.
- Sales reached █████, ███% from the previous month but ███% over the same period in 2018. In which, steel exports reached █████ tons ███% compared to November 2019 but ███% over the same period in 2018.

Excluding the growth of hot rolled coil, the growth rate of steel products production 10.2% over the same period in 2018 while sales 10.2% compared to December 2018.

In 2019:

- Production reached █████ tons, █% compared to the same period in 2018;
- Sales reached █████ tons, █% over the same period last year.
- In which, steel exports were █████ tons, █% compared to 2018.

SALES OF FINISHED STEEL PRODUCTS IN 2020

Import and export situation of steel products in 2019:

Import situation **Import situation:** - By the end of December 31, 2019, the import of iron and steel of all kinds ■■■% but the price ■■■ % in turnover compared to 2018, reaching ■■■ million tons. price ■■■ billion USD.

Steel imports from China - 100% in volume, 100% in turnover and 100% in price compared to 2018, reaching 100 million tons, equivalent to 100 billion USD. Total amount of imported iron and steel of the country and accounted for 100% of the total turnover.

Export situation:

- In 2019, Vietnam exported Vietnam's iron and steel exports to foreign markets █ % in volume but █ % in turnover and █ % in price compared to 2018, █ million tons, equivalent to █ billion USD.

- Vietnam exports mainly to Southeast Asian countries, accounting for ■ % of the country's total steel exports and accounting for ■ % of the total turnover, reaching ■ million tons, equivalent to ■ billion USD.

In 2018 :

The world steel market in 2018 is full of volatility. This year was considered a challenging year for Vietnam's steel industry.

Production - sales of steel products:

December 2018:

- Production of steel products reached ■ tons, ■ % compared to the month before but ■ % compared to the same period in 2017. Meanwhile, only produced hot rolled steel & steel construction ■ % and ■ % compared to March 12/2017.
- Sales of steel products reached ■ tons, ■ the previous month and the same period in 2017 is ■ %. In which, steel exports reached ■ tons, ■ % compared to December 2017.

PRODUCTION SITUATION OF FINISHED STEEL PRODUCTS IN 2018

In 2018:

- Production reached ■ tons, ■ % compared to the whole year 2017; Sales reached ■ tons, ■ % in comparison to the same period in 2017. In which, export reached ■ tons, ■ % over the same period in 2017.

-However, if excluded the growth of HRC, manufacturing & selling finished steel products all types only ■ % and ■ %, respectively

SALES OF FINISHED STEEL PRODUCTS IN 2018

Import-export situation of steel products in 2018:

Import situation:

By the end of December 31, 2018, imports of iron and steel products and semi-finished products of all kinds reached more than ■ tons, with a total import turnover of ■ USD , ■ % in volume but ■ % in import value compared to 2017.

- In 2018, the import of finished steel products from China was nearly ■ tons, ■ % in volume but ■ % in value over the same period in 2017; The proportion of steel imported from this country accounts for nearly ■ % of the total volume of imported finished steel products.

▪ Export situation:

- **The whole year 2018:** Exports of iron and steel finished products and semi-finished products **reached more than** ■ million tons, ■ % in volume, with exports reached **more than** ■ USD .

- ASEAN was still the main export market, with finished steel exports of more than ■ million tons of steel, accounting for more than ■ % of Vietnam's total finished steel exports in 2018.

In 2017:

Steel production market situation: Iron ore 62% Fe grade: Iron ore price on January 5, 2018 at 74-76 USD / ton CFR at Tianjin port, China, up 7-10 USD / ton compared to the beginning of December 2017. After rising to 85 USD / ton in January 2017, the price decreased in the first quarter and then started to recover

Production - sales of steel products:

The whole year 2017

- Steel production of VSA members ■ over the same period, **reached** ■ tons, ■ % compared to 2016.

month

- Sales of all kinds of steel **reached nearly** ■■ tons, ■■ % in comparison to the previous year.
- Steel export of VSA members reached more than ■■ million tons, ■■ % compared to 2016. Noticeably, the export of construction steel reached more than ■■ million tons, ■■ % over the same period. From an importer of steel billets, Vietnam exported more than ■■ tons of billets in 2017.
- Steel imports of Vietnam in 2017 ■■ % compared to the same period in 2016.

PRODUCTION SITUATION STEEL PRODUCTS IN 2017

SALES OF STEEL PRODUCTS IN 2016-2017

Import and export situation of steel products from January to November in 2017:

- Import situation: By the end of November 30, 2017, steel imports of all kinds reached more than ■■ million tons, with a total import turnover of **more than US \$ ■■ billion**, ■■ % in volume but ■■ % in value. China was still the major import market, with the import volume of more than ■■ million tons of steel, ■■ % in volume but only ■■ % in value; The proportion of steel imported from this country accounts for ■■ % of the total volume of imported steel products, ■■ % in the proportion of steel imports of Vietnam from this country compared to previous years.

Import situation of steel products in the first 11 months of 2017

- Export situation: By the end of November 2017, finished steel exports **reached over** ■■ million tons, with a total export turnover of **nearly \$ ■■ billion**, ■■ % in volume, and ■■ % in value. - ASEAN remained the main export market, with the export volume of more than ■■ million tons of steel, accounting for ■■ % of the total export volume of finished steel. In 2017, Vietnam exported more than ■■ tons of steel billet, while it used to be a country importing nearly ■■ million tons of billet in 2015.

(Source: Steel Association News, January 2018)

In 2016 :

Overview of domestic steel market in October and the first 10 months of 2016

October 2016 recorded a continuous decrease in prices in construction steel products. It's because of domestic companies both faced massively imported Chinese steel and competed for market share.

Production and domestic sales of steel products in the first 10 months of 2016:

Volume and price movement of steel imported into Vietnam

Volume and price of steel exported to Vietnam

(b) Demand for goods in Vietnam includes:

Civil construction
Infrastructure construction
Industrial construction
Shipbuilding
Others

(c) The estimated percentage (%) of sales revenue from each demand source is listed in (b)

Civil construction ■ %
Infrastructure construction ■ %
Industrial construction ■ %
Shipbuilding ■ %
Others ■ %

(d) There are seasonal fluctuations in the Vietnamese market, including:

- Agriculture - (seasonal dependent);
- Construction industry shut-down in Traditional Tet directly affects the overall market.
- The rainy season compared with the dry season in the tropical climate affects the project.

(e) Market segmentations under s publications in Vietnam include:

- Construction steel
- Steel pile
- cool-rolled steel
- Hot-rolled steel
- Coated steel sheet
- Others

(f) The estimated percentage of sales by product segment is shown in the following chart:

SALES OF STEEL PRODUCTS IN 2020

(g) Vietnamese goods and other imported goods compete in the Vietnamese market on the basis of trade considerations between parties.

(h) The ways that the goods are marketed and distributed in the Vietnamese market:

- ■
- ■

(i) HSG have no idea about any other factors related to the characteristics or influence on the Vietnamese market for the goods.

Please refer to [Exhibit I-1.1 VIETNAM STEEL ASSOCIATION statement 2016-2020](#)

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:

The Vietnamese market structure is that products are distributed into the market either directly to manufacturing companies, or to distributors / agents selling products in the market. Please see diagrams in the answer of the question I-1.1.

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:

According to VSA statistics, the production of KL & SPM galvanized steel sheet of VSA members reached ■ tons, ■ % compared to the same period in 2018 and sales reached ■ tons, ■ % compared to the same period of 2018 ,in which exports reached ■ tons, ■ % in comparison to the previous year.

Market share of TOP 5 enterprises producing Pre- painted Galvanized/ Aluminum – zinc alloy steel sheet

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:

▪ According to VSA statistics, top 10 countries to which Viet Nam export steel in 2019 are in the table below:

▪ Apart from the customers identified in its Australian sales revenue in file B-2 and sales transactions to other countries, the company is unaware of other commercially significant importers.

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:

Vietnam does not issue a separate legal framework for investigated goods.

However, the legal framework on technical standards for stainless steel goods is regulated as follows:

- Law on Technical Standards and Regulations dated June 29, 2006.
- Decree No. 127/2007 / ND-CP dated August 1, 2007 of the Government detailing the implementation of a number of laws on Standards and Technical Regulations and Decree No. 78/2018 / ND-CP dated May 16, 2008 of the Government amending and supplementing a number of articles of Decree No. 127/2007 / ND-CP dated August 1, 2007 of the Government detailing regulations promulgated a number of articles of the Law Technical Standards and Regulations
- Decree No. 95/2017 / ND-CP dated August 16, 2017 of the Government defining the functions, tasks, powers and organizational structure of the Ministry of Science and Technology
- Circular No. 15/2019 / TT-BKHCN dated November 15, 2019 promulgating the National Technical Regulation on "Stainless Steel"

Please refer to [Exhibit I-1.5 EN 68_2006_QH11](#).

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:

Currently there is not any entry restrictions for new participants into the Vietnamese market for the goods. Importers must declare relevant documents with electrical signature on the national information portal: <https://vnsw.gov.vn/> for each imported consignment, (Page 69) .

Please refer to [Exhibit I-1.6 EN 40_2019_ND-CP](#).

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:

The range of goods offered for sale in the Vietnamese market is generally described in the domestic sales file provided by us in [Exhibit D-2. Domestic sales](#). In addition, we have provided top 5 enterprises producing Pre- painted Galvanized/ Aluminum- zinc alloy steel sheet [Exhibit I-3.1 Reasonable Profit](#)

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

Answer:

As we stated above, the end use of goods in the Vietnamese market from all sources is for civil engineering; Infrastructure construction; Industrial construction; Shipbuilding; Agriculture,...

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:

Quality and reliability, etc are the key attributes that influence purchasing decisions or purchaser preferences in the Vietnamese market as well as Australian market.

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

Answer:

As far as we are concerned, there are not any commercially significant market substitute in the Vietnamese market for the goods.

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

Answer:

As far as we are concerned, there is not any commercially significant market complements in the Vietnamese market for the goods.

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:

HSG is unaware of any market changes or consumer preferences in the Vietnamese market for goods over the past five years .

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 to support the calculations.

Answer:

The company's operating rate in the Vietnamese market is provided in [Exhibit D-2. Domestic sales.](#)

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:

HSG is the market leader in terms of production volume and sales revenue of s goods. Besides, HSG is unaware of which enterprise is the leading commodity price leader in the Vietnamese market.

3. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Vietnam. 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:

The nature of your product pricing and company's price strategies in the Vietnamese market is based on costs and plus a reasonable profit derived from sales transactions based on commercial principles.

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:

HSG negotiates and determines the selling price of the goods taking into account the costs of making and selling goods, supply and demand and other conditions in the Vietnamese market.

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

There is no fixed amount of time for selling prices review. Prices are reviewed based on market conditions including supply and demand, and the costs of making and selling goods.

Please refer to [Exhibit I-3.5 Flowchart - Issuing price process.](#)

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:

-
-
-
-
-
-
-
-



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:



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:



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:



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:



Please refer to attached Sales policy.

11. Does your organisation/business entity use sales contracts in the Vietnamese market? If yes:
- (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?

Answer:

[REDACTED]

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

Answer:

The company does not offer exclusivity contracts.

- (c) How frequently are sales contracts renegotiated?

Answer:

[REDACTED]

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

Answer:

[REDACTED]

- (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.

Answer:

[REDACTED]

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

Answer:

[REDACTED]

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

Answer:

The customer list is described as shown in [Exhibit D-2. Domestic sales.](#)
Please refer to [Exhibit D-3.2 – Reconcile sale to Document.](#)

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:

[REDACTED]

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 method 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:

[REDACTED]

14. Do you tier or segment your Vietnamese customers for the goods in terms of pricing? If yes, provide:
- a general description of how this is done;
 - list the factors that influence pricing differentiation in different tiers or segments; and
 - 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: [REDACTED]

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: [REDACTED]

Please refer to Exhibit The latest Price Policy

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:

HSG markets goods in the Vietnamese market through website, advertising, and sponsorship. The value proposition used by the company focuses on the quality and reliability of our products.

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: No, HSG does not conduct brand segmentation in the Vietnamese market for the goods.

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:

Please refer to the attached file for the advertising statements of the goods of company.

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:

[REDACTED]

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:

[REDACTED]

Please refer to [Exhibit H-4.6 Price list for Hot-dip Rolled-Coating Steel](#) and [Exhibit H-4.6 Price list for Rolled GL](#)

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:

[REDACTED]

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:

[REDACTED]

- Please refer to [Exhibit J-1.2 Exhibit J-1.2 Flowchart- Production planning process.](#)

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)?

Answer:

(a) [REDACTED]

(b) Table of inventory of raw materials in stock during the investigation period

(c) $\text{Inventory Cycle} = \text{Cost of Goods Sold} / \text{Average cost of Inventory}$

Source of data: Audited Financial Statements 2018-2019.

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:

- [REDACTED]
- [REDACTED]
- [REDACTED]

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: Please refer to [Exhibit J-1.5 Capacity of factories in the past 5 years.](#)

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.

Answer:

[REDACTED]

7. Confirm whether management reports are prepared on production costs. If yes:
- (a) specify how often these cost reports are prepared;
 - (b) describe the level of detail in those reports and whether they enable the establishment of costs of producing the goods; and

PUBLIC VERSION

- (c) specify to whom within the company these reports are provided; and
- (d) provide copies of these reports for each month of the investigation period.

Answer:

[REDACTED]

Publicly listed financial statements cater to the management needs and needs of shareholders.
Please see [*Exhibit A-4.1 HSG's financial statements*](#).

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

Answer: The main sources of demand are residual/commercial/industrial construction.

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

Answer: The Company is not aware of the proportion of sales revenue. Request for this information should be directed to the importers and applicant.

- (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: As noted by the applicant, there is seasonal variability in the Australian market, which includes:

- Agriculture – for example, silos (seasonally dependent);
- Building industry Christmas shutdown directly impacts construct
- Wet versus dry season in tropical climates impact construction.

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

Answer: The company is not aware of geographic market or product segmentation in Australia.

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

Answer: The Company is not aware of the proportion of sales revenue. Request for this information should be directed to the importers and applicant.

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

Answer: Australian manufactured, Vietnamese and other imported goods compete in the Australian market on the basis of commercial considerations between arm's length parties.

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

Answer: As noted by the applicant, products are distributed into the market either directly to manufacturing companies in Australia, or to distributors/resellers that on-sell the product into the market.

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

Answer: The Company is not aware of any other factors.

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: As noted by the applicant, products are distributed into the market either directly to manufacturing companies in Australia, or to distributors/resellers that on-sell the product into the market.

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 far as the Company is aware, Bluescope Steel is the major participant in Australia, as it is the sole manufacturer and market leader in the market.

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: Beyond its customers identified in exhibit B-2 Australian sales, the Company is not aware of other commercially significant importers.

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: The company is not aware or familiar with the regulatory framework of 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: The Company is not aware of any entry restrictions.

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: Refer to [exhibit B-2 Australian Sales](#) for detailed information of goods offered for sale in the Australian market.

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

Answer: As noted by the applicant, the goods are used in residential construction, and commercial and industrial construction.

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: Quality and reliability, etc are the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market.

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

Answer: As far as the Company is aware, there are no commercially significant market substitutes in the Australian market for the goods.

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

Answer: As far as the Company is aware, there are no commercially significant market complements in the Australian market for the goods.

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: The Company is not aware of any changes in market or consumer preferences.

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 to support the calculations.

Answer: Proportion of the company's operation in the Australian market are provided in attachment B-5 upward sales.

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: Based on information from our customers in Australia, the price leader is the applicant, Bluescope Steel.

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: [REDACTED]

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: [REDACTED]

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: [REDACTED]

6. Rank the following factors in terms of their influence on your pricing decisions in the Australian market, with the most important factor ranked first and the least important factor ranked last:
- Competitors' prices
 - Purchase price of raw materials
 - Cost to make and sell the goods
 - Level of inventory
 - Value of the order
 - Volume of the order
 - Value of forward orders
 - Volume of forward orders
 - Customer relationship management
 - Supplier relationship management
 - Desired profit
 - Brand attributes
 - Other [please define what this factor is in your response]

Answer: [REDACTED]

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: [REDACTED]

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: [REDACTED]

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: [REDACTED]

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: [REDACTED]

11. Does your organisation/business entity use sales contracts in the Australian market? If yes:
- (a) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?

- (b) Do you offer exclusivity contracts? If yes, what proportion of your sales revenue would come from exclusivity contracts?
- (c) How frequently are sales contracts renegotiated?
- (d) How frequently are price reviews conducted between contracts?
- (e) Do you provide opportunities for price reviews for customers within contracts? If yes, provide a description of the process and an explanation of the circumstances that might lead to a price review.
- (f) Do changes in your costs to make and sell enable you to review prices for customers within contracts?
- (g) Provide a list of the customers under contract during the investigation period and copies of the two largest contracts in terms of sales revenue.

Answer: [REDACTED].

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: [REDACTED].

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 method 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: [REDACTED].

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.

Answer: [REDACTED].

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: Not applicable as the company does not have any related entity in Australia.

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: The company markets the goods in the Australian market through website. The value proposition used by the company focuses on quality and reliability of our product.

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: The company does not conduct brand segmentation in the Australian market for the goods.

PUBLIC VERSION

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: The company does not undertake advertising in the Australian market. However, customers are aware of the company's operations and capabilities and our products are advertise on our website.

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: [REDACTED]

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: [REDACTED].

SECTION L COUNTERVAILING

The following programs are being investigated:

Category	Program number	Program name
Less than adequate remuneration (LTAR)	22	Acquisition of State Assets at Less Than Fair Market Value
Grant	2	Support for the Implementation of Projects Manufacturing Priority Industrial Products (Updating Programme III of 2003-2004)
	3	Investment Incentives Contingent upon Export Performance For Domestic Businesses (Updating Programme IV of 2003-2004)
	4	Other Investment Incentives for Domestic Businesses (Updating Program V of Period 2003-2004)
	5	Investment Incentives Contingent upon Export Performance for Foreign Invested Enterprises (Updating Programme VI of the Period 2003-2004)
	6	Other Investment Incentives for Foreign Invested Enterprises (Updating Programme VII for Period 2003-2004)
	7	Preferential Investment Credit for Development Contingent upon Export Criteria (Updating Programme VIII of Period 2003-2004)
	8	Preferential Development Credit for Investment Contingent Upon Localisation Ratios (Updating Programme IX of Period 2003-2004)
	9	Other Preferential Investment Credit for Development (Updating Program X of Period 2003-2004)
	10	Export Promotion
	11	Trade Promotion (Updating of Programme XIII of Period 2003-2004)
	12	Support for Mechanical Products (Updating Program XV of Period 2003-2004)
	13	Support for Shipbuilding Industry (Updating of Programme XV of Period 2003-2004)
	14	Assistance for Commercial Development in Mountainous, Island and Ethnic Minority Areas (Updating Programme XVI of Period 2003-2004)
	15	Assistance to Enterprises Facing Difficulties due to objective reasons
	16	Incentives for Investment Projects in Science and Technology (Updating Programme XVIII of Period 2003-2004)
	20	Grants to Firms that Employ More than 50 Employees
	21	Investment Support (consisting of two separate programs)
Preferential Loan	23	Export & Import Support in the Form of Preferential Loans, Guarantees, and Factoring (consisting of five separate programs)
	24	Export Support Loans at Preferential Rates
	25	Interest Rate Support Program under the State Bank of Vietnam
	26	Preferential Lending under the Viet Bank Export Loan Program
Tax	18	Incentives on corporate income tax for enterprises operating in regions or sectors entitled to incentives
	19	Incentives on non-agricultural land use
	27	Accelerated Depreciation of Fixed Assets
	28	Additional Income Tax Preferences for Exporters

Category	Program number	Program name
	29	Enterprise Income Tax Exemption/Reduction for Business Expansion and Intensive Investment Projects
	30	Enterprise Income Tax Preferences, Exemptions, and Reductions (consisting of seven separate programs)
	31	Establishments Dealing with Exported Goods
	32	Exemption of Import Tax on Equipment and Machinery Imported to Create Fixed Assets
	33	Exemptions/reductions of Land Rent, Tax, and Levies (consisting of five separate programs)
	34	Land-Use Levy Exemptions/Reductions
	35	Preferential Income Tax Rates for Enterprises within Economic Zones or Industrial Parks
	36	Preferential Provisions for Carry-forward of Losses
	37	Tax Exemptions and Reductions for Encouraged Sectors
	38	Tax Exemptions and Reductions for Foreign-Invested Enterprises
	39	Tax Exemptions and Reductions for Investment in Disadvantaged Regions
	40	Tax Exemptions and Reductions for Investments in Economic Zones or High-Tech Industrial Parks
	41	Tax Preferences for Investors Producing and/or Dealing in Export Goods
Tariff Policy	1	Preferential Import Tariff Rates contingent upon Localisation Ratios with respect to products and Parts of Mechanical-Electric-Electronic Industries (updating Programme II of Notification of Subsidies period 2003-2004)
	17	Preferential Import Tariff Rates for enterprises investing in regions or sectors entitled to investment incentives
	42	Excessive Duty Exemptions for Imported Raw Materials for Exported Goods
	43	Exemptions of Import Duty (consisting of seven separate programs)
	44	Refund of Import Duties

L-1 General

- Complete the worksheet named "L-1 Company turnover"
 - This worksheet is a table of the total company revenue over the period and split into:
 - Total revenue for Australian sales, domestic sales and third country sales
 - Revenue of the goods for Australian sales, domestic sales and third country sales
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer: Please refer to [the worksheet named L-1.1 Company turnover](#).

L-2 Provision of goods

The Commission understands that the Government of Vietnam has supported a program entitled Acquisition of State Assets at Less Than Fair Market Value.

- Complete the worksheet named "L-2 Provision of goods"
 - This worksheet is a table of the assets (land, equipment, etc.) purchased by the company over the period, plus the **TWO** preceding years.

- You must provide this table in electronic format using the template provided.
- If you have used formulas to complete this worksheet, these formulas must be retained.

Answer: Please refer to [the worksheet L-2 Provision of goods](#).

2. For the assets identified in L-2.1:
 - a. Indicate which goods you produced that benefited from the purchase of the assets.
 - b. Provide a copy of the contract and application form, or any other documentation, relevant to the purchase of the assets.
 - c. Provide evidence of the purchase of the asset.
 - d. Provide evidence of the valuation of the market value of the assets.

Answer: HSG don't participate in any program entitled " Acquisition of State Assets at Less Than Fair Market Value".

L-3 Preferential tax programs

1. Complete the worksheet named "L-3 Income Tax"
 - This worksheet is a table of your company's income tax liability over the last three financial years.
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer: Please refer to [the worksheet named "L-3 Income Tax"](#).

2. Provide a copy of your company's annual tax return for the last three financial years. If the documents are not in English, please provide a translation of the documents.

Answer: Please refer to [Exhibit L-3.2 CIT declaration \(3 exhibits\)](#).

3. Provide proof of your company's tax payments to your tax authority over the last three financial years, including any progress payments made and related forms submitted to reconcile the annual tax return.

Answer: Please refer to [Exhibit L-3.3 Total corporate income tax 2017-2020](#).

4. What is the general tax rate for enterprises (also referred to as the company or corporate tax rate) during the previous two financial years?

Answer: The general tax rate for enterprises during the previous two financial years is 20%. The tax rate is specified in Circular 78/2014 / TT-BTC guiding the Implementation of the Government's Decree No. 218/2013/ND-CP December 26, 2013, detailing and guiding the Implementation of the law on CIT.

5. Did your company pay less than the general tax rate for enterprises referred to in question I-3.4? If yes:
 - a. What tax rate did your company pay?

WAS THE REDUCTION IN THE TAX PAID OR PAYABLE RELATED TO ANY OF THE PREFERENTIAL INCOME TAX PROGRAMS IN THE TABLE AT THE TOP OF SECTION I VIETNAMESE MARKET

I-1 Prevailing conditions of competition in the Vietnamese market

2. Describe the Vietnamese market for the goods and the prevailing conditions of competition within the market, including:
- (j) Provide an overall description of the market in Vietnam which explains its main characteristics and trends over the past five years;
 - (k) Provide the sources of demand for the goods in Vietnam, including the categories of customers, users or consumers of the product;
 - (l) Provide an estimated proportion (%) of sales revenue from each of those sources of demand listed in (b);
 - (m) 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;
 - (n) Describe any market segmentations in Vietnam; such as geographic or product segmentations;
 - (o) Provide an estimated proportion of sales revenue from each of the market segments listed in (e);
 - (p) Describe the way in which Vietnamese and imported goods compete in the Vietnamese market;
 - (q) Describe the ways that the goods are marketed and distributed in the Vietnamese market; and
 - (r) Describe any other factors that are relevant to characteristics or influences on the Vietnamese market for the goods.

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

Answer:

Overall description of the market in Vietnam, key characteristics and trends over the past five years
In 2020:



The first quarter of 2020:

- Steel production of all kinds reached more than [REDACTED] tons, [REDACTED]% over the same period in 2019;
- Sales reached [REDACTED] tons, [REDACTED]% in comparison to the same period in 2019.
- In which, steel exports of all kinds reached [REDACTED] tons, [REDACTED]% compared to the first quarter of 2019.

- Generally, in the first quarter of 2020, the import of iron and steel products into Vietnam was more than [REDACTED] tons, with a value of [REDACTED] USD.
- After 3 months, the amount of steel imported from China is nearly [REDACTED] tons, with an import value of more than [REDACTED] USD, accounting for [REDACTED]% of the total volume of steel imports and the total import turnover of the country.

- In March 2020, Vietnam exported to foreign markets reached [REDACTED] tons, with a turnover of \$ [REDACTED]. Compared to February 2020 and the same period in 2019, the above exports [REDACTED]% and [REDACTED]% in volume, respectively.
- Steel export value in February 2020 reached [REDACTED] USD, increased [REDACTED]% and [REDACTED]% respectively compared to February 2020 and the same period last year.
- Vietnam exports mainly to Southeast Asian countries, reaching about [REDACTED] tons with a value of \$ [REDACTED] million, accounting for [REDACTED]% of the country's total steel exports and accounting for [REDACTED]% of the total export turnover of Vietnam.

■ Production reached █████ tons, █% from the previous month's level and █% over the same period in 2018.

■ Sales reached █████, █% from the previous month but █% over the same period in 2018. In which, steel exports reached █████ tons █% compared to November 2019 but █% over the same period in 2018.

Excluding the growth of hot rolled coil, the growth rate of steel products production █% over the same period in 2018 while sales █% compared to December 2018.

- Production reached 10.2 million tons, 10% compared to the same period in 2018;
- Sales reached 10.2 million tons, 10% over the same period last year.
- In which, steel exports were 10.2 million tons, 10% compared to 2018.

Steel imports from China - █ % in volume, █ % in turnover and █ % in price compared to 2018, reaching █ million tons, equivalent to █ billion USD. Total amount of imported iron and steel of the country and accounted for █ % of the total turnover.

Export situation:

- In 2019, Vietnam exported Vietnam's iron and steel exports to foreign markets █ % in volume but █ % in turnover and █ % in price compared to 2018, █ million tons, equivalent to █ billion USD.
- Vietnam exports mainly to Southeast Asian countries, accounting for █ % of the country's total steel exports and accounting for █ % of the total turnover, reaching █ million tons, equivalent to █ billion USD.

In 2018 :

The world steel market in 2018 is full of volatility. This year was considered a challenging year for Vietnam's steel industry.

Production - sales of steel products:

December 2018:

- Production of steel products reached █ tons, █ % compared to the month before but █ % compared to the same period in 2017. Meanwhile, only produced hot rolled steel & steel construction █ % and █ % compared to March 12/2017.
- Sales of steel products reached █ tons, █ the previous month and the same period in 2017 is █ %. In which, steel exports reached █ tons, █ % compared to December 2017.

In 2018:

- Production reached █ tons, █ % compared to the whole year 2017; Sales reached █ tons, █ % in comparison to the same period in 2017. In which, export reached █ tons, █ % over the same period in 2017.
- However, if excluded the growth of HRC, manufacturing & selling finished steel products all types only █ % and █ %, respectively

Import-export situation of steel products in 2018:

Import situation:

By the end of December 31, 2018, imports of iron and steel products and semi-finished products of all kinds reached more than █ tons, with a total import turnover of █ USD , █ % in volume but █ % in import value compared to 2017.

- In 2018, the import of finished steel products from China was nearly █ tons, █ % in volume but █ % in value over the same period in 2017; The proportion of steel imported from this country accounts for nearly █ % of the total volume of imported finished steel products.

▪ Export situation:

- **The whole year 2018:** Exports of iron and steel finished products and semi-finished products **reached more than** █ million tons, █ % in volume, with exports reached **more than** █ USD .

- ASEAN was still the main export market, with finished steel exports of more than █ million tons of steel, accounting for more than █ % of Vietnam's total finished steel exports in 2018.

In 2017:

Steel production market situation: Iron ore 62% Fe grade: Iron ore price on January 5, 2018 at 74-76 USD / ton CFR at Tianjin port, China, up 7-10 USD / ton compared to the beginning of December 2017. After rising to 85 USD / ton in January 2017, the price decreased in the first quarter and then started to recover

Production - sales of steel products:

The whole year 2017

- Steel production of VSA members [] over the same period, **reached** [] tons, [] % compared to 2016.
- Sales of all kinds of steel **reached nearly** [] tons, [] % in comparison to the previous year.
- Steel export of VSA members reached more than [] million tons, [] % compared to 2016. Noticeably, the export of construction steel reached more than [] million tons, [] % over the same period. From an importer of steel billets, Vietnam exported more than [] tons of billets in 2017.
- Steel imports of Vietnam in 2017 [] % compared to the same period in 2016.

Note:

Import and export situation of steel products from January to November in 2017:

- Import situation: By the end of November 30, 2017, steel imports of all kinds reached more than [] **million tons**, with a total import turnover of **more than US \$ [] billion**, [] % in volume but [] % in value. China was still the major import market, with the import volume of more than [] **million tons of steel**, [] % in volume but only [] % in value; The proportion of steel imported from this country accounts for [] % **of the** total volume of imported steel products, [] % in the proportion of steel imports of Vietnam from this country compared to previous years.

Import situation of steel products in the first 11 months of 2017

- Export situation: By the end of November 2017, finished steel exports **reached over** [] million tons, with a total export turnover of **nearly \$ [] billion**, [] % in volume, and [] % in value. - ASEAN remained the main export market, with the export volume of more than [] million tons of steel, accounting for [] % of the total export volume of finished steel. In 2017, Vietnam exported more than [] tons of steel billet, while it used to be a country importing nearly [] million tons of billet in 2015.

(Source: Steel Association News, January 2018)

In 2016 :

Overview of domestic steel market in October and the first 10 months of 2016

October 2016 recorded a continuous decrease in prices in construction steel products. It's because of domestic companies both faced massively imported Chinese steel and competed for market share.

Production and domestic sales of steel products in the first 10 months of 2016:

Volume and price movement of steel imported into Vietnam

Volume and price of steel exported to Vietnam

(b) Demand for goods in Vietnam includes:

Civil construction

Infrastructure construction

Industrial construction

Shipbuilding

Others

(c) The estimated percentage (%) of sales revenue from each demand source is listed in (b)

Civil construction ■ %

Infrastructure construction ■ %

Industrial construction ■ %

Shipbuilding ■ %

Others ■ %

(d) There are seasonal fluctuations in the Vietnamese market, including:

- Agriculture - (seasonal dependent);
- Construction industry shut-down in Traditional Tet directly affects the overall market.
- The rainy season compared with the dry season in the tropical climate affects the project.

(e) Market segmentations under s publications in Vietnam include:

- Construction steel
- Steel pile
- cool-rolled steel
- Hot-rolled steel
- Coated steel sheet
- Others

(f) The estimated percentage of sales by product segment is shown in the following chart:

SALES OF STEEL PRODUCTS IN 2020

(g) Vietnamese goods and other imported goods compete in the Vietnamese market on the basis of trade considerations between parties.

(h) The ways that the goods are marketed and distributed in the Vietnamese market:

- ■
- ■

(i) HSG have no idea about any other factors related to the characteristics or influence on the Vietnamese market for the goods.

Please refer to [Exhibit I-1.1 VIETNAM STEEL ASSOCIATION statement 2016-2020](#)

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:

The Vietnamese market structure is that products are distributed into the market either directly to manufacturing companies, or to distributors / agents selling products in the market. Please see diagrams in the answer of the question I-1.1.

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:

According to VSA statistics, the production of KL & SPM galvanized steel sheet of VSA members reached ■ tons, ■ % compared to the same period in 2018 and sales reached ■ tons, ■ %

compared to the same period of 2018 ,in which exports reached ■■ tons, ■■ % in comparison to the previous year.

Market share of TOP 5 enterprises producing Pre- painted Galvanized/ Aluminum – zinc alloy steel sheet

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:

▪ According to VSA statistics, top 10 countries to which Viet Nam export steel in 2019 are in the table below:

▪ **Apart from the customers identified in its Australian sales revenue in file B-2 and sales transactions to other countries, the company is unaware of other commercially significant importers.**

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:

Vietnam does not issue a separate legal framework for investigated goods.

However, the legal framework on technical standards for stainless steel goods is regulated as follows:

- Law on Technical Standards and Regulations dated June 29, 2006.
- Decree No. 127/2007 / ND-CP dated August 1, 2007 of the Government detailing the implementation of a number of laws on Standards and Technical Regulations and Decree No. 78/2018 / ND-CP dated May 16, 2008 of the Government amending and supplementing a number of articles of Decree No. 127/2007 / ND-CP dated August 1, 2007 of the Government detailing regulations promulgated a number of articles of the Law Technical Standards and Regulations
- Decree No. 95/2017 / ND-CP dated August 16, 2017 of the Government defining the functions, tasks, powers and organizational structure of the Ministry of Science and Technology
- Circular No. 15/2019 / TT-BKHCN dated November 15, 2019 promulgating the National Technical Regulation on "Stainless Steel"

Please refer to [Exhibit I-1.5 EN 68 2006 QH11](#).

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:

Currently there is not any entry restrictions for new participants into the Vietnamese market for the goods. Importers must declare relevant documents with electrical signature 'on the national information portal: <https://vnsw.gov.vn/> for each imported consignment, (Page 69) .

Please refer to [Exhibit I-1.6 EN 40 2019 ND-CP](#).

I-2 Goods in the Vietnamese market

7. 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:

The range of goods offered for sale in the Vietnamese market is generally described in the domestic sales file provided by us in [Exhibit D-2. Domestic sales](#). In addition, we have provided top 5 enterprises producing Pre- painted Galvanized/ Aluminum- zinc alloy steel sheet [Exhibit I-3.1 Reasonable Profit](#)

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

Answer:

As we stated above, the end use of goods in the Vietnamese market from all sources is for civil engineering; Infrastructure construction; Industrial construction; Shipbuilding; Agriculture,...

9. 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:

Quality and reliability, etc are the key attributes that influence purchasing decisions or purchaser preferences in the Vietnamese market as well as Australian market.

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

Answer:

As far as we are concerned, there are not any commercially significant market substitute in the Vietnamese market for the goods.

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

Answer:

As far as we are concerned, there is not any commercially significant market complements in the Vietnamese market for the goods.

12. 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:

HSG is unaware of any market changes or consumer preferences in the Vietnamese market for goods over the past five years .

I-3 Relationship between price and cost

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

In responding to question 1 please provide evidence to support the calculations.

Answer:

The company's operating rate in the Vietnamese market is provided in [Exhibit D-2. Domestic sales.](#)

17. 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:

HSG is the market leader in terms of production volume and sales revenue of s goods. Besides, HSG is unaware of which enterprise is the leading commodity price leader in the Vietnamese market.

18. Describe the nature of your product pricing (e.g., market penetration, inventory clearance, product positioning, price taker, price maker, etc.) and your price strategies (e.g., competition-based pricing, cost-plus pricing, dynamic pricing, price skimming, value pricing, penetration pricing, bundle pricing, etc.) in Vietnam. 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:

The nature of your product pricing and company's price strategies in the Vietnamese market is based on costs and plus a reasonable profit derived from sales transactions based on commercial principles.

19. 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:

HSG negotiates and determines the selling price of the goods taking into account the costs of making and selling goods, supply and demand and other conditions in the Vietnamese market.

20. 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

There is no fixed amount of time for selling prices review. Prices are reviewed based on market conditions including supply and demand, and the costs of making and selling goods.

Please refer to [Exhibit I-3.5 Flowchart - Issuing price process.](#)

21. 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:

-
-
-
-
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-
-
-
-

22. 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:

23. 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:

24. 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:

25. 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:

[REDACTED]

Please refer to attached Sales policy.

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

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

Answer:

[REDACTED].

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

Answer:

The company does not offer exclusivity contracts.

- (j) How frequently are sales contracts renegotiated?

Answer:

[REDACTED]

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

Answer:

[REDACTED]

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

Answer:

[REDACTED].

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

Answer:

[REDACTED].

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

Answer:

The customer list is described as shown in [Exhibit D-2. Domestic sales.](#)

Please refer to [Exhibit D-3.2 – Reconcile sale to Document.](#)

27. 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:

[REDACTED].

28. 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 method 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: [REDACTED]

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

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

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

Answer: [REDACTED]

30. 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: [REDACTED]

Please refer to Exhibit The latest Price Policy

I-4 Marketing and sales support in the Vietnamese market

6. 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:

HSG markets goods in the Vietnamese market through website, advertising, and sponsorship. The value proposition used by the company focuses on the quality and reliability of our products.

7. 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: No, HSG does not conduct brand segmentation in the Vietnamese market for the goods.

8. 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:

Please refer to the attached file for the advertising statements of the goods of company.

9. 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: [REDACTED]

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10. 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:

[REDACTED]

Please refer to [Exhibit H-4.6 Price list for Hot-dip Rolled-Coating Steel and Exhibit H-4.6 Price list for Rolled GL](#)

SECTION J

PRODUCTION AND PRODUCTION COSTS

J-1 Production of the goods

8. 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:

[REDACTED]

9. 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:

- [REDACTED]
- [REDACTED]

- Please refer to [Exhibit J-1.2 Exhibit J-1.2 Flowchart- Production planning process.](#)

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

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

Answer:

(a) [REDACTED]

(b) Table of inventory of raw materials in stock during the investigation period

(c) Inventory Cycle = Cost of Goods Sold / Average cost of Inventory

Source of data: Audited Financial Statements 2018-2019.

11. 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:

- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

12. 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: Please refer to [Exhibit J-1.5 Capacity of factories in the past 5 years.](#)

13. 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.

Answer:

[REDACTED]

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

- (e) specify how often these cost reports are prepared;
- (f) describe the level of detail in those reports and whether they enable the establishment of costs of producing the goods; and

PUBLIC VERSION

- (g) specify to whom within the company these reports are provided; and
- (h) provide copies of these reports for each month of the investigation period.

Answer:

[REDACTED]

Publicly listed financial statements cater to the management needs and needs of shareholders.
Please see [*Exhibit A-4.1 HSG's financial statements*](#).

SECTION K

AUSTRALIAN MARKET

K-1 Prevailing conditions of competition in the Australian market

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

- (j) Provide an overall description of the Australian market for the goods which explains its main characteristics and trends over the past five years;
- (k) Provide the sources of demand for the goods in Australia, including the categories of customers, users or consumers of the product;

Answer: The main sources of demand are residual/commercial/industrial construction.

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

Answer: The Company is not aware of the proportion of sales revenue. Request for this information should be directed to the importers and applicant.

- (m) 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: As noted by the applicant, there is seasonal variability in the Australian market, which includes:

- Agriculture – for example, silos (seasonally dependent);
- Building industry Christmas shutdown directly impacts construct
- Wet versus dry season in tropical climates impact construction.

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

Answer: The company is not aware of geographic market or product segmentation in Australia.

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

Answer: The Company is not aware of the proportion of sales revenue. Request for this information should be directed to the importers and applicant.

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

Answer: Australian manufactured, Vietnamese and other imported goods compete in the Australian market on the basis of commercial considerations between arm's length parties.

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

Answer: As noted by the applicant, products are distributed into the market either directly to manufacturing companies in Australia, or to distributors/resellers that on-sell the product into the market.

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

Answer: The Company is not aware of any other factors.

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

8. 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: As noted by the applicant, products are distributed into the market either directly to manufacturing companies in Australia, or to distributors/resellers that on-sell the product into the market.

9. 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 far as the Company is aware, Bluescope Steel is the major participant in Australia, as it is the sole manufacturer and market leader in the market.

10. 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: Beyond its customers identified in exhibit B-2 Australian sales, the Company is not aware of other commercially significant importers.

11. 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: The company is not aware or familiar with the regulatory framework of the Australian market.

12. 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: The Company is not aware of any entry restrictions.

K-2 Goods in the Australian market

7. 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: Refer to [exhibit B-2 Australian Sales](#) for detailed information of goods offered for sale in the Australian market.

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

Answer: As noted by the applicant, the goods are used in residential construction, and commercial and industrial construction.

9. 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: Quality and reliability, etc are the key product attributes that influence purchasing decisions or purchaser preferences in the Australian market.

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

Answer: As far as the Company is aware, there are no commercially significant market substitutes in the Australian market for the goods.

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

Answer: As far as the Company is aware, there are no commercially significant market complements in the Australian market for the goods.

12. 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: The Company is not aware of any changes in market or consumer preferences.

K-3 Relationship between price and cost in Australia

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

In responding to question 1 please provide evidence to support the calculations.

Answer: Proportion of the company's operation in the Australian market are provided in attachment B-5 upward sales.

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

Answer: Based on information from our customers in Australia, the price leader is the applicant, Bluescope Steel.

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

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

Answer: [REDACTED]

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

Answer: [REDACTED]

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

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

Answer: [REDACTED]

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

Answer: [REDACTED]

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

Answer: [REDACTED]

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

Answer: [REDACTED]

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

Answer: [REDACTED]

26. Does your organisation/business entity use sales contracts in the Australian market? If yes:
(h) What proportion of your sales revenue would come from contracted sales versus uncontracted sales?

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

Answer: [REDACTED].

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

Answer: [REDACTED].

28. How do you differentiate pricing for different products/models of the goods in the Australian market? Describe how your products are grouped for price differentiation and the method 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: [REDACTED].

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

Answer: [REDACTED].

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

Answer: Not applicable as the company does not have any related entity in Australia.

K-4 Marketing and sales support in the Australian market

6. 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: The company markets the goods in the Australian market through website. The value proposition used by the company focuses on quality and reliability of our product.

7. 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: The company does not conduct brand segmentation in the Australian market for the goods.

8. 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: The company does not undertake advertising in the Australian market. However, customers are aware of the company's operations and capabilities and our products are advertise on our website.

9. 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: [REDACTED]

10. 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: [REDACTED]

- b. Section L
Countervailing above?
- c. What is the name of the program?
- d. What is the name of the authority granting your company the reduced tax rate?
- e. What is the eligibility criteria to benefit from the reduced tax rate?
- f. Provide details of the application process
- g. Provide a copy of the blank application form. If the documents are not in English, please provide a translation of the documents.
- h. Provide a copy of your company's completed application form, including all attachments to the application form. If the documents are not in English, please provide a translation of the documents.
- i. Provide a copy of any confirmation or other correspondence from the authority approving your company for the reduction in tax rate. If the documents are not in English, please provide a translation of the documents.
- j. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Answer: [REDACTED], as shown in the Corporate income tax declaration in *Exhibit L-3.2 CIT declaration*.

L-4 Financial grants

1. Complete the worksheet named "L-4 Grants"
- This worksheet is a table of the grants received by company over the period plus the two preceding years.
 - You must provide this table in electronic format using the template provided.
 - If you have used formulas to complete this worksheet, these formulas must be retained.

Answer: HSG didn't receive any the grants from the government over the period plus the two preceding years. Please refer to the worksheet named "L-4 Grants".

2. Provide a copy of your company's non-operating income and/or other business income ledgers, extracted directly from your accounting system, for the period covering the period plus the 2 preceding years.

Answer: Please refer to *Exhibit L-4.2 Other business income ledger 03.2018 - 03.2020 (2 exhibits)*.

3. Did your company receive any grants (or any other financial contribution) from any level of government during the period plus the two preceding years?

If yes:

- a. Were any of the grants related to any program listed in the table at the top of Section I above? If yes, identify the program.
- b. Were any of the grants related to programs not listed in the table at the top of Section I above? If yes, provide the names of the programs.

Answer: No, HSG didn't receive any grants (or any other financial contribution) from any level of government during the period plus the two preceding years. HSG's investment capital and business activities are [REDACTED].

4. For each of the grants listed in L-4.3:
- What is the name of the grant?
 - What is the name of the authority providing the grant?
 - What is the eligibility criteria to receive the grant?
 - Is the grant directly related to the goods under consideration, export sales to Australia and/or export sales generally?
 - Provide details of the application process.
 - Provide a copy of the blank application form. If the documents are not in English, please provide a translation of the documents.
 - Provide a copy of your company's completed application form, including all attachments to the application form. If the documents are not in English, please provide a translation of the documents.
 - Provide a copy of any confirmation or other correspondence from the authority approving the grant. If the documents are not in English, please provide a translation of the documents.
 - Provide proof of payment of your company receiving the grant (e.g. bank statements).
 - Provide a copy of the accounting journal entries relating to the grant.
 - Outline the fees charged to, or expenses incurred by your business for purposes of receiving the grant.

Answer: As stated in answer to question number L-4.3, HSG didn't receive any grants (or any other financial contribution) from any level of government during the period plus the two preceding years.

L-5 Tariff and VAT exemptions on imported materials and equipment

If your business or any company/entity related to your business received benefits under any program that provided an exemption from the payment of import duty and import VAT during the review period, please answer the following questions.

1. Please complete worksheet "L-5 VAT and tariff transactions".

Answer: Please refer to [the worksheet "L-5 VAT and tariff transaction"](#)

2. Provide complete details involving the amount of the VAT refund received, including whether the refund was received in a lump sum or multiple instalments.

Answer: Please refer to [Exhibit L-5.2 VAT refund](#).

3. Describe the application and approval procedures for obtaining a benefit under the program.

Answer: HSG didn't gain any benefits under this program, so we don't carry out the application and approval procedures for obtaining under the program.

4. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments and all contractual agreements entered into between your business and the Government of Vietnam in relation to the program.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program, so we don't have the application form or other documentation used to apply for the program.

5. Outline the fees charged to or expenses incurred by your business in receiving the program.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program, so HSG didn't pay any fees.

6. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program. We don't know the eligibility criteria to receive benefits under this program.

7. State whether your eligibility for the program was conditional on one or more of the following criteria:

- (a) whether or not your business exports internationally, or has increased its exports;
- (b) the use of domestic rather than imported inputs;
- (c) the industry to which your business belongs; or
- (d) the region in which your business is located.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program.

8. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program. There was no benefits gain was provided in relation to a specific activity or project of our entity.

9. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program. We don't have any records kept in relation to the program.

10. Indicate where benefits under this program can be found in your accounting system (i.e. specify the ledgers or journals) and financial statements.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program, so these benefits don't exist in our accounting system or any other organization.

11. Were the materials and/or equipment that were entitled to a refund of VAT used in the production of the goods during the investigation period? If yes, provide the following information:

- (a) type of inputs;
- (b) cost of inputs;
- (c) quantity of inputs; and
- (d) amount of VAT refunded.

Answer: HSG is only entitled to [REDACTED] [VAT refund details], details of refunds are shown in the answer of the question H-5.2. Please refer to [Exhibit L-5.2 VAT refund](#).

12. Has your company received exemption from payment of or refunds of import duty and import VAT for imported material inputs (e.g. hot rolled coil, coking coal and coke) at any time that were used in the production of the goods during the investigation period? If yes, provide the following information:

- (a) description of imported product;
- (b) country of origin;
- (c) quantity of imported product;
- (d) purchase price;
- (e) terms of purchase (e.g. FOB, CIF);
- (f) ocean freight;
- (g) value for duty of imported product;
- (h) regular rate of taxes and duties;
- (i) concessionary rate of taxes and duties;
- (j) amount of duties and taxes normally applicable;
- (k) amount of duties and taxes paid;
- (l) amount of duties and taxes exempt;
- (m) date of importation;
- (n) tariff classification number;
- (o) customs entry number; and
- (p) application fee.

Answer:

[REDACTED] [VAT refund details]

13. Explain if (and how) the Government of Vietnam determines which imported inputs are consumed by your business in the production of the subject goods and in what amounts, and the amount of duty paid or payable on the inputs (including any allowance for waste).

Answer: The customs declaration clearly states the number of goods for each item and the payable tax amount for each respective item.

14. Explain how the Government of Vietnam determined the percentage rate of duty exemption.

Please note that goods consumed in the production of exported goods (inputs) include:

- (a) goods incorporated into the exported goods; and
- (b) energy, fuel, oil and catalysts that are used or consumed in the production of the exported goods.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program, so the percentage rate of duty exemption doesn't exist.

15. Provide a representative sample of copies of import entry documents (for example: bill of entry, invoice from supplier, etc.) for each type of importation covering duty-exempt inputs and duty-paid inputs imported for use in the manufacturing of the subject goods.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program, we don't have any representative sample of copies of import entry documents for each type of importation covering duty-exempt inputs and duty-paid inputs imported for use in the manufacturing of the subject goods.

16. In addition to the import entry documents, you must also provide copies, if applicable, of any applications submitted to and/or approval document received from the Government of Vietnam relating to the exemption from the payment of import duty and import VAT on imported inputs and in relation to the VAT that is refunded on the exportation of the subject goods.

Answer: HSG isn't allowed to apply for the Imported Goods Tariff & VAT Exemptions program, these documents don't exist.

17. Provide copies of reports and audits by the Government of Vietnam authority responsible for administering the duty rebate or duty drawback scheme with respect to the verification of the importation and use of inputs and the remittance or drawback of the related duty paid or payable.

Answer: Please refer to [Exhibit L-5.17 Tax refund period 04.2019 – 03.2020 \(including scanned and translated versions\)](#)

18. To your knowledge, does the program still operate or has it been terminated?

If the program has been terminated, please provide details (when, why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program.

Answer: There weren't any Imported Goods Tariff & VAT Exemptions programs relevant to the subject goods.

L-6 Preferential Loans/Financial Assistance

It is the Commission's understanding that certain enterprises in Vietnam benefit from low (subsidised) interest rates or credit facilities from state owned commercial banks and government banks.

1. Provide a general overview of how your company secures necessary financial resources on the financial market (e.g. Loans, issuance of bonds etc.)

Provide answers to the following questions in the worksheet "L-6 Preferential Loans".

Answer: To ensure financial resources, the company has

[loan requirements].

Please refer to [the worksheet “L-6 Preferential Loans”](#).

2. Provide a list of all the loans provided to your company from banks and financial institutions which have not been fully reimbursed by the end of the investigation period.

Answer: Please refer to [Exhibit L-6.2 List of Loans \(not pay until 31.3.2020\)](#).

3. Provide specific details of the loan, including the start date of the loan, the principal amount of the loan, terms and conditions of the loan, purpose of the loan, the repayment terms/frequency, repayment amount, interest rate, interest type (e.g. fixed, variable etc.), if the loan has been redrawn any time during its duration, please provide the redraw date, amount and the reason for redraw.

Answer: Please refer to [Exhibit L-6.3 List of Loans](#).

4. Indicate whether each bank is domestically or foreign-owned and give the percentage of government ownership of each bank (including ownership by entities owned or controlled by a government).

Answer:

No.	The Bank Name	The percentage of government ownership
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		

5. In the case of each loan from a government-owned or controlled bank, please explain the reason for borrowing from such a bank rather than a commercial bank. What are the differences in the terms and conditions of loans between the government and commercial banks?

Answer: [redacted] [\[company loan details\]](#)

6. Explain how the decisions to grant the loan or its conditions are dependent on the purpose of the loan and give details on the process your company went through to apply for the loan. Please provide detail on what conditions or criteria your company needed to fulfil to be granted the loan.

Answer: [redacted] [\[company loan details\]](#)

7. For each of the loans listed, provide copies of signed loan agreements between the bank which provided the loan and company which was the addressee of the loan specifying the conditions of the loan such as amount, term of repayment, interest rate etc. Also provide a copy of your application for the loan.

Note: If your company has more than one loan from same bank/financial Institution which were not repaid by the end of the investigation period and the loan agreements for these loans are standardised, it is sufficient **at this stage** to provide an English translation for one of them only (e.g. If your company has multiple loans from one particular bank which only differ in amounts

you only need to translate one of them into English for your questionnaire response. However it is necessary to translate all credit line agreements from which loans not repaid by the end of the investigation period were drawn.

Answer: Please refer to [Exhibit L-6.7 Loan agreements \(including scanned and translated versions\)](#).

8. Please explain whether the granting of the specific loan depended on the link between the purpose of the loan and the goals specified in any government plan or development program. Provide a copy of the laws, regulations, administrative guidelines and any other acts relevant for the operation of this lending with any subsequent amendments. Also include a copy of any governmental or development plan of which the scheme represents a direct implementation.

Answer: [redacted] [company loan details]

9. For each loan application, please explain the involvement of third parties such as government departments, local councils, party committees in the whole process since the application for the loan up to the decision whether the loan is granted or not.

Answer: [redacted] [company loan details]

10. In the “L-6 Preferential Loans” spreadsheet, provide the information requested on guarantees for the loans provided to your company.

Answer: HSG doesn't receive any preferential Loans, so the information requested on guarantees for the loans don't exist.

11. Please give details of all loan applications during the investigation period which were refused. Provide the name of the bank, the amount of the loan requested and the reasons for refusal.

Answer: [redacted] [company loan details]

12. Provide any other information you may deem necessary for the Commission to make an assessment on the subsidisation of producers/exporters of the product under investigation. You may adjust the table in the “Loans” tab as necessary to include this additional information.

Answer: The government doesn't subsidise for producers/exporters of the product under investigation. HSG doesn't have any information about the subsidisation program.

L-7 Other Programs

1. Provide a list of all the provinces in which you have business operations (including locations of factories, sales offices, or other places of business).

Answer: HSG is operating in [redacted]; [redacted], please refer to [Exhibit L-7.1 Factory location](#).

2. Are you aware of any programs of the Government of Vietnam, any of its agencies or any other authorised body that benefits manufacturers of the goods that have not been accounted for in this questionnaire? Provide the name of those programs you are aware of (even if your company is not eligible to receive benefit under the program.)

Answer: No, HSG isn't aware of any programs of the Government of Vietnam, any of its agencies, or any other authorized body that benefits manufacturers of the goods.

3. Indicate the location of the program by region, province or municipal level.

Answer: HSG isn't allowed to apply for any subsidisation programs. We also aren't aware of any programs by region, province, or municipal level.

4. Indicate the type of program, for example:

- the provision of grants, awards or prizes;
- the provision of goods or services at a reduced price (e.g. electricity, gas, transport);
- the reduction of tax payable including income tax and VAT;
- reduction in land use fees;
- loans at below-market rates; or
- any other form of assistance.

For each program that you have identified, answer the following.

Answer: HSG isn't allowed to apply for any subsidisation programs. We aren't aware of any programs.

5. Indicate whether your company benefited from any of the listed programs during the period.

Answer: HSG isn't allowed to apply for any subsidisation programs.

6. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products that have undergone research and development).

Answer: HSG's goods don't receive any benefits from the program. HSG produces and exports goods according to the general provisions of Vietnamese law.

7. Describe the application and approval procedures for obtaining a benefit under the program.

Answer: HSG isn't allowed to apply for any subsidization programs so we can't describe the application and approval procedures for obtaining a benefit under the program.

8. Where applicable, provide copies of the application form or other documentation used to apply for the program, all attachments, all contractual agreements entered into between your business and the Government of Vietnam and any other official governing documentation in relation to the program³ (including a translation in English).

Answer: HSG isn't eligible for any programs, so there are no other forms or documents used to apply for the program.

9. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.

Answer: HSG did not benefit from this program, so there were no fees charged to, or expenses incurred by our business. The revenues and expenditures are detailed in the HSG's financial statements, the financial statements do not contain these expenses.

10. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.

Answer: HSG did not benefit from this program, so there were no eligibility criteria.

11. State whether your eligibility for the program was conditional on one or more of the following criteria:

- (a) whether or not your business exports or has increased its exports;
- (b) the use of domestic rather than imported inputs;
- (c) the industry to which your business belongs; or
- (d) the region in which your business is located.

Answer: HSG did not benefit from this program, so there were no eligibility criteria.

12. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.

Answer: All HSG projects don't constitute a factor or basis for HSG to receive any benefits. As previous questions, HSG didn't benefit from any program.

13. What records does your business keep regarding each of the benefits received under this program? Provide copies of any records kept in relation to the program.

Answer: HSG did not benefit from any programs so there were no records regarding each of the benefits received under this program.

14. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.

Answer: HSG did not benefit from any programs so the benefits don't exist in our accounting system and financial statements.

³ A link to an active website setting out the relevant official governing documentation is also acceptable.

PUBLIC VERSION

15. To your knowledge, does the program still operate or has it been terminated?

Answer: HSG did not benefit from any programs, we don't know about programs for other industries or other corporate models.

16. If the program has been terminated, please provide details (including when and why). When is the last date that your business could apply for or claim benefits under the program? When is the last date that your business could receive benefits under the program?

If the program terminated has been substituted for by another program, identify the program and answer all the questions in Part L-7 in relation to this programme.

Answer: HSG did not benefit from any programs, we don't know about programs for other industries or other corporate models.

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 :.....

APPENDIX

GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences, and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include: *sales occurring at different times* (it is sometimes necessary to compare domestic and export sales made at different times - in these circumstances an adjustment may be made to reflect price movements during that time); *specification differences*; *packaging*; *taxes*; *level of trade*; *advertising*; *servicing/warranty*; *inland freight*; *warehousing*; *export charges*; *credit terms*; *duty drawback*; *commissions*.

Adjustments may also be required where the normal value is based on costs to make and sell.

Arms length

Sales are not considered to be at “arms length” on your domestic market if there is any consideration payable for the goods other than their price, or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where prices paid for like goods sold in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for selling, general and administration costs, and for profits, that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture, and the selling, general and administration costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the Free on Board (FOB) level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs e.g. power, supplies, indirect labour and fixed costs e.g. factory rent, factory insurance, factory depreciation etc.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used (comment is provided concerning costs that are normally borne by the seller):

EXW	ex works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc. paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free on board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance)
	the terms CFR and CIF are only used where goods are carried by sea or waterway transport
CPT	carriage paid to
CIP	carriage and insurance paid to
	the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.
DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customer's disposal)
DES	delivered ex ship (goods made available to the buyer on board the ship uncleared for import at

	the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (Pay all costs for carriage to the agreed point, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc. incurred upon importation)

The period

A period defined by the Commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods or that, although not alike in all respects have characteristics closely resembling those of the goods. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess "normal value".

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based on all costs to make and sell the goods, and an amount for profit. Alternatively the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally, and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for "ordinary course of trade" includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time, (again usually 12 months) then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- . domestic sales of like goods;
- . sale of goods of the same general category by the exporter; or
- . sales in the industry in the country of export.

The expenses must, however, reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.