



Australian Government
Anti-Dumping Commission

Exporter Questionnaire

Product: Certain aluminium extrusions
From: The People's Republic of China
Review period: 1 August 2013 – 31 July 2014
Response due by: 17 September 2014
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Return completed questionnaire to: Anti-Dumping Commission
1010 La Trobe Street
Docklands VIC 3008
AUSTRALIA

Attention: Director Operations 4

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SECTION A – COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 Identity and communication

Please nominate a person within your business who can be contacted for the purposes of this assessment:

Head Office: **Zhaoqing Xinlianchang Metal Corporation Ltd.**
Name: **Ms. Kuang, Yanqiong**
Position in the company: **Chief Financial Officer**
Address: **Linjiang Industry Zone,
Zhaoqing High-tech Area, Zhaoqing,
Guangdong, China**
Telephone: **+86 (758) 3981 333**
Facsimile number: **+86 (758) 3981 338**
E-mail address of contact person: liangchang-gd@163.com

Factory: **Zhaoqing Xinlianchang Metal Corporation Ltd.**
Address: **Linjiang Industry Zone,
Zhaoqing High-tech Area, Zhaoqing,
Guangdong, China**
Telephone: **+86 (758) 3981 333**
Facsimile number: **+86 (758) 3981 338**
E-mail address of contact person: liangchang-gd@163.com

A-2 Representative of the company for the purpose of the assessment

If you wish to appoint a representative to assist you in this investigation, provide the following details:

Name: **Mr. Hu, Fumao (Marco Hu)**
Partner & Attorney at law
Dacheng Law Offices
Address: **3/F,4/F, Building B1, Yuxing Plaza, NO.56**
Middle Road of Huangshan Avenue,
Yubei District,
Chongqing, 401123, China
Telephone: **+86 135 2023 7767**
Facsimile/Telex number: **+86 23 63016565**
E-mail address of contact person: fumao.hu@dachenglaw.com

Note that in nominating a representative, the Commission will assume that confidential material relating to your business in this investigation may be freely released to, or discussed with, that representative.

A-3 Company information

1. What is the legal name of your business?

What kind of entity is your business? Is it a sole proprietorship, a partnership, a limited liability company, a joint venture, a state-owned enterprise (SOE) (refer to this questionnaire's glossary for a definition of an SOE) or some other type of enterprise?

Please provide details of any other business names that you use to export and/or sell goods.

Response: The legal name of the company is Zhaoqing Xinlianchang Metal Corporation Ltd. (ZXM or the company). It is a limited liability company. No other business names are ever used to export or sell goods.

2. Who are the owners and/or principal shareholders of your business?

Provide details of shareholding percentages for joint owners and/or principal shareholders.

List all shareholders 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 business.

Response: The principal shareholders are: [CONFIDENTIAL, name of shareholders and the shareholding percentage thereof].

3. If your business is a subsidiary of another company list the principal shareholders of that company.

Response: Not applicable.

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

Response: Not applicable.

5. Provide a diagram showing all associated or affiliated companies and your business' place within that corporate structure.

Response: Please refer to Exhibit A.3.5: Corporate structure.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

6. Are any management fees/corporate allocations charged to your business by your parent or related company. If so please explain details of the nature and amount of the charges.

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Response: Not applicable.

7. Describe the nature of your business and explain whether you are a producer or manufacturer, distributor, trading company, etc.

Response: ZXM is a producer of the goods under consideration.

8. Does your business perform all of the following functions in relation to the goods under consideration:

- produce or manufacture
- sell in the domestic market
- export to Australia, and
- export to countries other than Australia.

If your business does not perform all of these functions, please provide names and addresses of the companies which perform each function:

Response: ZXM produces, sells in the domestic and Australian markets during the period of review (POR). No export to countries other than Australia are made during the POR.

9. Provide your business' internal organisation chart. Describe the functions performed by each group within the organisation. Include details of the senior management of your business, explaining the role of each member of your senior management team.

Response: Please refer to Exhibit A.3.9: Internal organisation chart.

10. Provide a list of your business' Board of Directors.

Response: According to the Article of Association of the company, the Company has one executive director and no board of directors. The ZXM's executive director is Mr. Kuang, Cizhao.

11. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

Response: The company doesn't have an annual report or any relevant brochures on its business activities.

12. Are any of your company's operations in a Special Economic Area, Economic and Technical Development Zone, Bonded Zone, Export Processing Zone, High Technology Industrial Development Zone, the Western Regions, or any other similarly designated area?

Response: ZXM is located in Zhaoqing High-tech Area.

13. If your answer to question A-3.12 above is 'yes':

- advise if any benefits (e.g. grants, reduced liabilities on commercial interest rates, etc) from the Government of China (GOC) (including central, provincial, municipal, county or any

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other level of government) accrue to your company because of being located in such an area;

- please explain the nature of the operations, identify the specific zone(s) [or other area(s)] and provide a brief overview of all of the benefits of operating within the specified zone(s) or area(s).

Response: Not applicable. There is no benefits from the Government of China accrue to the company because of being located in Zhaoqing High-tech Area.

14. Provide details of all transactions between your company and all related parties. For example:

- Supplying/selling completed or partially completed products.
- Supplying/selling raw materials.
- Performing management functions (including any financial functions).
- Processing (including toll processing) of any raw materials, intermediary or completed products.
- Trading in products/materials supplied by related parties.

Response: No applicable. ZXIM doesn't have any related parties or transactions with such parties.

A-4 General accounting/administration information

1. Indicate your accounting period.

Response: The accounting period of ZXIM is from January 1 to December 31 of each calendar year.

2. Indicate the address where the financial records are held.

Response: The financial records of the company are located at: Linjiang Industry Zone, Zhaoqing High-tech Area, Zhaoqing, Guangdong, China.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;

Response: Please refer to Exhibit A.4.3: Chart of accounts.

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);

Response: Not applicable. ZXIM is a small enterprise and its financial statement is not required to be audited under the law.

- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and

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maintained in the normal course of business for the goods under investigation.

These documents should relate to:

- the division or section/s of your business responsible for the production and sale of the goods under investigation, and
- the company.

Response: There aren't any internal financial statements or profit & loss reports of any kind that are prepared and maintained in the normal course of business for the goods under investigation.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your relevant taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Response: Please refer to Exhibit A.4.4: Financial statements and tax returns. ZXIM provides the unaudited financial statement 2012 and 2013, subsequent monthly statements, together with its taxation returns.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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

Response: The accounting practices don't differ in any way from the GAAP in China.

6. Describe the significant accounting policies that govern your business' system of accounting, in particular:

- 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);

Response: Raw materials, work-in-process and finished goods inventory are accounted for at cost when purchased. The cost of inventories issued is determined on the weighted average basis.

- costing methods, including the method (e.g. by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);

Response: The cost of the primary materials shall be stated at their historical cost on acquisition, and raw material requested or issued is

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determined using the weighted average method. After the sales of goods, the cost of finished goods will be transferred from the inventory commodities into cost of sales. ZXM doesn't account the work-in-process.

- valuation methods for damaged or sub-standard goods generated at the various stages of production;

Response: The damaged or sub-standard goods are recycled when generated and no valuation method is applied for such goods.

- valuation methods for scrap, by products, or joint products;

Response: The scrap is disposed and accounted into revenue from other operating activities on actual disposition price. No by-products or joint products are generated.

- valuation and revaluation methods for fixed assets;

Response: A fixed asset shall be initially measured at its cost. The cost of a purchased fixed asset includes the purchase price, relevant taxes, freight, loading and unloading fees, professional service fees and other disbursements that bring the fixed asset to the expected conditions for use and that may be attributed to the fixed asset.

- average useful life for each class of production equipment and depreciation method and rate used for each;

Response: Please refer to the following table for the average useful life and depreciation rate:

Category	Average useful life (yrs)	Depreciation rate (%)
Building and constructions	20	4.80%
Machines and equipments	3-10	9.48%-31.68%
Transportation vehicles	4	23.76%
Others	3-10	9.48%-31.68%

- treatment of foreign exchange gains and losses arising from transactions;

Response: Transactions in currencies other than the reporting currency are translated into the reporting currency at the exchange rates quoted by the Bank of China ("the reference rates"), on the first day of the month in which the transactions take place.

- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Response: The Company doesn't account foreign exchange gains or losses.

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- inclusion of general expenses and/or interest;

Response: The general expenses and interests are accounted on actual basis.

- provisions for bad or doubtful debts;

Response: Accounts receivable meeting the following criteria are recognised as bad debts: (i) the debtor is deceased or has been declared bankrupt and the debts remain uncollectible after considering the assets of the bankrupt or the estate of the deceased debtor; (ii) debts that are long overdue where there is also evidence indicating that the debts are uncollectible or the possibility of collection is remote.

- expenses for idle equipment and/or plant shut-downs;

Response: Not applicable.

- costs of plant closure;

Response: Not applicable.

- restructuring costs;

Response: Not applicable.

- by-products and scrap materials resulting from your business' production process; and

Response: Please refer to the answer to the previous question.

- effects of inflation on financial statement information.

Response: Not applicable.

7. In the event that any of the accounting methods used by your business have changed over the last two years provide an explanation of the changes, the date of change, and the reasons for it.

Response: There has been no change to accounting methods used over the last two years.

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A-5 Income statement

Please fill in the following table. It requires information concerning all products produced and for the goods subject to measures. You should explain how costs have been allocated.

Prepare this information in the attached spreadsheet named "**Income statement**".

Note: if your financial information does not permit you to present information in accordance with this table please present the information in a form that closely matches the table.

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your business' structure, the allocations would not be helpful in this process, please explain why this is the case.

Response: Please refer to Exhibit A.5: Income statement.

[This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form.]

A-6 Sales

State your business' net turnover (after returns and all discounts), and free of duties and taxes. Use the currency in which your accounts are kept, in the following format:

Prepare this information in the attached spreadsheet named "**Turnover**".

This information will be used to verify the cost allocations to the goods under consideration in Section G.

Also, you should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

Response: Please refer to Exhibit A.6: Turnover.

[This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form.]

SECTION B – SALES TO AUSTRALIA (EXPORT PRICE)

This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory. Export prices are usually assessed at FOB point, but the Commission may also compare prices at the ex factory level.

*You should report prices of **all GUC shipped** to Australia during the review period.*

The invoice date will normally be taken to be the date of sale. If you consider:

- the sale date is not the invoice date (see 'date of sale' column in question B4 below) and;*
- an alternative date should be used when comparing export and domestic prices*

*you **must** provide information in section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the Assessment period.*

B-1 For each customer in Australia to whom you shipped goods in the assessment period list:

- name;
- address;
- contact name and phone/fax number where known; and
- trade level (for example: distributor, wholesaler, retailer, end user, original equipment).

Response: The information concerning Australia customer is as following:

[CONFIDENTIAL, detailed information of Australia customer]

B-2 For each customer identified in B1 please provide the following information.

- (a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

Response: The goods were shipped directly to the Australian importer.

- (b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

Response: For the transactions exported to Australia during POR, ZXM negotiated price with and shipped the goods to Australia importer directly. [CONFIDENTIAL, description of sales channel].

No commissions are paid.

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- (c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of DDP sales, explain who retains ownership when the goods enter Australia.

Response: The party who holds the original bill of lading possesses the ownership of the goods. There are no DDP sales applied in Australian sales.

- (d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

Response: No agency or distributor agreements exist in relation to the Australia sales.

- (e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

Response: The sales prices for Australian customer are negotiated on a transaction basis. The sales negotiation process is as follows: (1) sourcing Chinese producers and offer price by Australian importer; (2) negotiating price within both parties; (3) arranging for production and upon completion, preparing the delivery directly to Australia; (4) collecting payment before shipment.

There are no such price lists.

- (f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (e.g. free goods, rebates, or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

Response: ZXIM is not related to and has no financial or other arrangements with any of its Australian customers.

- (g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

Response: There are no such forward orders for the goods under consideration.

- B-3** Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Response: The export selling prices doesn't vary according to the distribution channel.

- B-4** Complete the attached named "Australian sales" listing all *shipments* (i.e. *transaction by transaction*) to Australia of the goods under consideration in the importation period. You must provide this list in electronic format. Include the following export related information:

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** FOB export price and Ocean Freight”:

FOB export price: an FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling, and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales spreadsheet.

Ocean freight: as ocean freight is a significant cost it is important that the actual amount of ocean freight incurred on each exportation be reported. If estimates must be made you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the assessment period.

Freight allocations must be checked for consistency.

* All of these costs are further explained in section E-1.

Response: Please refer to Exhibit B.4: Australian sales.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company’s commercial activities and sensitive business information, disclosure of which could harm the Company’s market and competitive position.]

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see “other factors” in question B-4) for each item, and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

Response: All of the costs, charges or expenses incurred in relation to the export sales to Australia by ZXM have been identified in the above Exhibit B.4.

B-6 For each type of discount, rebate, allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to question B4. If they vary by customer or level provide an explanation.

Response: There are no discount, rebate, allowance offered on export sales to Australia.

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to question B4, provide details of

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each credit note if the credited amount has **not** been reported as a discount or rebate.

Response: **ZXM hasn't issued credit notes (directly or indirectly) to the customers in Australia.**

B-8 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. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

Response: **ZXM is not responsible for arrival of the goods within Australia.**

B-9 Select two shipments, in different quarters of the importation period, and provide a complete set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation, and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;
- marine insurance expenses; and
- letter of credit, and bank documentation, proving payment.

The Commission will select additional shipments for payment verification at the time of the visit.

Response: **Please refer to Exhibit B.9: Australian sales documents.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

SECTION C – EXPORTED GOODS & LIKE GOODS

- C-1** Fully describe all of the goods you have exported to Australia during the review period. Include specification details and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

Response: ZXM only exports aluminium extrusion in mill finished type to Australia during the POR.

- C-2** List each model/type of the good exported to Australia (these models should cover all models listed in spreadsheet “**Australian Sales**” – See section B of this questionnaire).

Response: Please refer to the answer to the previous question.

- C-3** If you sell like goods on the domestic market, for each model/type that your business has exported to Australia during the review period, list the most comparable model(s) sold domestically and provide a detailed explanation of the differences where those goods sold domestically (i.e. the like goods – see explanation in glossary) are not identical to the goods exported to Australia.

Provide your response to this question in the attached spreadsheet named “**Like Goods**” detailing as follows:

Response: In the domestic market, ZXM only sells aluminium extrusion in mill finished type, which is exactly the same to that in Australia. Therefore, the goods sold in domestic and Australian market are identical and comparable directly.

- C-4** Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your business sells on the domestic market.

Response: Please refer to the answer to the previous question.

SECTION D – DOMESTIC SALES

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

*All domestic sales made during the importation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the case officer **before** completing the questionnaire. If the case officer agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the Commission's requirements. If agreement cannot be reached as to the appropriate method the Commission may not visit your business.*

The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the assessment period.

*If, in response to question B4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the assessment period.*

If you do not have any domestic sales of like goods you must contact the case officer who will explain the information the Commission requires for determining a normal value using alternative methods.

D-1 Provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;
- information concerning the functions/activities performed by each party in the distribution chain; and
- a copy of any agency or distributor agreements, or contracts entered into.

If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.

Response: The distribution channels to domestic customers are: (1) sale to trading company; (2) sale to end user.

No agency or distributor agreements exist. No customers as listed are associated with the Company.

D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Response: The domestic selling prices don't vary according to the distribution channel.

D-3 Explain in detail the sales process, including:

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- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and
- whether price includes the cost of delivery to customer.

If sales are in accordance with price lists, provide copies of the price lists.

Response: The sales process for domestic customers is basically the same as that for Australian ones. Please refer to the answer above in Section B for relevant information.

All the domestic sales are made on EXW basis, so the company doesn't bear the cost of delivery.

There are no such price lists.

- D-4** Complete the attached named "**Domestic Sales**" listing **all** sales of like goods made during the assessment period. Include all of the following information.

Notes

Costs marked with * are explained in section E.

Response: Please refer to Exhibit D.4: Domestic sales.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

- D-5** 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-4 above add a column for each item (see "other factors"). For example, certain other selling expenses incurred.

Response: No other costs, charges or expenses incurred in respect of the sales listed.

- D-6** For each type of commission, discount, rebate, allowance offered on domestic sales of like goods:

- provide a description; and
- explain the terms and conditions that must be met by the customer to qualify for payment.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to question D4.

If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.

Response: There are no discount, rebate, allowance offered on domestic sales. No credit notes were issued directly or indirectly to the customers.

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D-7 Select two domestic sales, in different quarters of the assessment period, that are at the same level of trade as the export sales. Provide a complete set of documentation for those two sales. (Include, for example, purchase order, order acceptance, commercial invoice, discounts or rebates applicable, credit/debit notes, long or short term contract of sale, inland freight contract, bank documentation showing proof of payment.)

The Commission will select additional sales for verification at the time of our visit.

Response: Please refer to Exhibit D.7: Domestic sales documents.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

SECTION E – FAIR COMPARISON

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (i.e. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. The Commission must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence the Commission may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The investigation must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim that material is to be available at the time of the verification visit. The Commission will not consider new claims made after the verification visit.

E-1 Costs associated with export sales

(These cost adjustments will relate to your responses made at question B-4, 'Australian Sales')

1. Transportation

*Explain how you have quantified the amount of inland transportation associated with the export sale ("**Inland transportation costs**").
Identify the general ledger account where the expense is located.*

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If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Response: **The inland transportation is reported on actual basis. Such expenses is accounted in the general ledger account of ‘sales expenses’.**

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified (“**Handling, loading & ancillary expenses**”).

Identify the general ledger account where the expenses are located.

If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at question B4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees
- other ancillary charges.

Response: **The amount reported in column ‘inland transportation costs’ is ‘All-in charges’, which has included all the expenses mentioned above.**

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at question B4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the assessment period.

Explain the nature of the interest rates most applicable to these export sales e.g., short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in section E-2 below.

Response: **The export prices are fixed by the commercial invoice and not influenced by the collection days, thus, there is no credit cost applicable to the company.**

4. Packing costs

List material and labour costs associated with packing the export product.

PUBLIC RECORD

Describe how the packing method differs from sales on the domestic market, for each model.

Report the amount in the listing in the column headed '**Packing**'.

Response: The GUC has no significant difference on the packaging in the domestic and export markets, and it will not specially packed for those export products, thus, the packing costs is not applicable to the company.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in question B-4 under the column headed "**Commissions**".

Identify the general ledger account where the expense is located.

Response: No commissions are paid in relation to the export sales to Australia.

6. Warranties, guarantees, and after sales services

List the costs incurred associated with warranties, guarantees and after sales services.

Show relevant sales contracts and how you calculated the expenses ("**Warranty & guarantee expenses**" and "**Technical assistance & other services**"), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered.

Identify the ledger account where the expense is located.

Response: No expenses of warranties, guarantees, and after sales services are paid to any third parties for all the transactions of the company.

7. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed "**Other factors**". For example, other variable or fixed selling expenses, including salesmen's salaries, salesmen's travel expenses, advertising and promotion, samples and entertainment expenses.

Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

Response: No other factors that affect the price comparability exist and require an adjustment.

PUBLIC RECORD

8. Currency conversions

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a 'sustained' movement during the period of investigation (see article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect 'sustained' movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the assessment period.

Response: The currency conversion between Australia and China is relatively stable, and this adjustment concerning foreign currency translation is not applicable to the subject investigation.

PUBLIC RECORD

E-2 Costs associated with domestic sales

(These cost adjustments will relate to your responses made at question D-4, “domestic sales”)

The following items are not separately identified in the amounts quantified at question D-4. However you should consider whether any are applicable.

1. Physical characteristics

The adjustment recognises that differences such as quality, chemical composition, structure or design, mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative costs (S G & A) plus profit). The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data.

Identify the physical differences between each model. State the source of your data.

Response: The goods sold in the domestic and Australian markets are identical with regard to the physical characteristics, and no adjustment is necessary.

2. Import charges and indirect taxes

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods), or
- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia;

the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border, and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing the import duty borne by the domestic sales. (That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment).

PUBLIC RECORD

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon *exportation* and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold *domestically* but is not borne by the exports to Australia;

Substitution drawback systems

Annex 3 of the WTO Agreement on Subsidies provides: *“Drawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs”*

If such a scheme operates in the country of export please provide **full** details about the operation of the scheme as well as providing the information requested above.

Response: All the raw materials are purchased domestically, thus, no such adjustment concerning import charges and indirect taxes is applicable.

3. Level of trade

Question D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user, and original equipment manufacturer.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

PUBLIC RECORD

A real difference in level of trade (may be adjusted for using either of the following methods:

- (a) *costs arising from different functions:* the amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment.

or

- (b) *level discount:* the amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter. For this method to be used it is important that a clear pattern of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

Response: There are no real trade level differences for this company, and all sales in different distribution channels are treated as being at the same level of trade.

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at question D-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowing's by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

PUBLIC RECORD

Provide the applicable interest rate over each month of the assessment period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system¹, the average credit period may be determined as follows:

1) Calculate an accounts receivable turnover ratio

This ratio equals the total credit sales divided by average accounts receivable. (It is a measure of how many times the average receivables balance is converted into cash during the year).

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by 2, or
- total monthly receivables divided by 12.

2) Calculate the average credit period

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at 1.

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

The following items are identified in the amounts quantified at question D-4:

Response: No difference on the credit cost is claimed for adjustment.

¹ Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

PUBLIC RECORD

5. Transportation

Explain how you have quantified the amount of inland transportation associated with the domestic sales (“**Inland transportation Costs**”). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

Response: As we stated above, the company doesn’t bear the inland transportation costs associated with the domestic sales, and all domestic sales are on EXW basis.

6. Handling, loading and ancillary expenses

List all charges that are included in the domestic price and explain how they have been quantified (“**Handling, loading and ancillary Expenses**”). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

Response: The company doesn’t bear the handling, loading and ancillary expenses in its domestic sales.

7. Packing

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed “**Packing**”.

Response: The packing is generally the same in both domestic and Australian sales.

8. Commissions

For any commissions paid in relation to the domestic sales:

- provide a description
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed “**Commissions**”. Identify the general ledger account where the expense is located.

Response: No commissions are paid in relation to the domestic sales.

PUBLIC RECORD

9. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses (“**Warranty & Guarantee expenses**” and “**Technical assistance & other services**”), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair, or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

Response: No warranties, guarantees, and after sales services costs are incurred in the domestic sales.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed “**Other factors**”. List the factors and show how each has been quantified in per unit terms. For example:

- *inventory carrying cost*: describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- *warehousing expense*: an expense incurred at the distribution point;
- *royalty and patent fees*: describe each payment as a result of production or sale, including the key terms of the agreement;
- *advertising*; and
- *bad debt*.

Response: No other factors affect price comparability in the domestic sales.

E-3 Duplication

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson’s salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

PUBLIC RECORD

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

Response: No such duplication exists in all the items of adjustment.

SECTION F – EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your response to this part of the questionnaire may be used by the Commission to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. The Commission may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.

Supply this information in the attached spreadsheet file named “**Third Country**”

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

Response: Not applicable.

SECTION G – COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- testing the profitability of sales of like goods on the domestic market;*
- determining a constructed normal value of the GUC - i.e. of the goods exported to Australia; and*
- making certain adjustments to the normal value.*

You will need to provide the cost of production of both the exported goods (GUC) and for the like goods sold on the domestic market. You will also need to provide the selling, general, and administration costs relating to goods sold on the domestic market; the finance expenses; and any other expenses (e.g. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the selling, general, and administration expenses; the finance expenses; and any other expenses have been calculated.

If, in response to question B4 (Sales to Australia, Export Price) you:

- reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices, and*
- provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales)*

you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the assessment period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1. Production process and capacity

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

Provide information about your business' total production in the below table.

Provide this information in the attached spreadsheet named "**Production**".

PUBLIC RECORD

Notes

* rather than showing a 'name-plate' optimal capacity it is more meaningful to show the maximum level of production that may reasonably be attained under normal operating conditions. For example assuming: normal levels of maintenance and repair; a number of shifts and hours of operation that is not abnormally high; and a typical production mix.

Response: Please refer to **Exhibit G.1.1: Production process flowchart and Exhibit G.1.2: Production.**

[This confidential information is provided to the subject authority for investigation; as such data is classified as highly sensitive commercial information. Please refer to a summary of the information in an indexed form.]

G-2. Cost accounting practices

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

Response: The company doesn't have management accounting system. The data in its financial accounting records can be directly reconciled to the financial statements.

2. Is your business' cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were state whether all variances (i.e. differences between standard and actual production costs) have been allocated to the goods - and describe how those variances have been allocated.

Response: Not applicable. The company's cost accounting system isn't based on standard costs.

3. Provide details of any significant or unusual cost variances that occurred during the assessment period.

Response: There aren't any significant or unusual cost variances that occurred during the assessment period.

4. Describe the profit/cost centres in your business's cost accounting system.

Response: The Company doesn't have profit/cost centres in its cost accounting system. All the production costs are booked in "manufacture cost". The cost is not allocated as per product specifications.

5. For each profit/cost centre describe in detail the methods that your business normally uses to allocate costs to the goods under investigation. In particular specify how, and over what period, expenses are amortised or depreciated, and how allowances are made for capital expenditures and other development costs.

Response: Please refer to answer to question G-2.4 as above.

6. Describe the level of product specificity (models, grades etc) that your business' cost accounting system records production costs.

PUBLIC RECORD

Response: Please refer to answer to question G-2.4 as above.

7. List and explain all production costs incurred by your business which are valued differently for cost accounting purposes than for financial accounting purposes.

Response: All the production costs are valued on actual basis, thus, no factors are valued differently for cost accounting purposes than for financial accounting purposes.

8. State whether your business engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

Response: Not applicable. The Company doesn't engage in any start-up operations in relation to the goods under consideration.

9. State the total cost of the start-up operation and the way that your business has treated the costs of the start-up operation in its accounting records.

Response: Not applicable.

G-3 Cost to make and sell on domestic market

This information is relevant to testing whether domestic sales are in the ordinary course of trade.²

1. Please provide (in the format shown in the table below) the actual unit cost to make and sell each model/type (identified in Section C) of the like goods sold on the domestic market. Provide this cost data for each quarter over the assessment period. If your business calculates costs monthly, provide monthly costs.
2. Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

Prepare this information in the attached spreadsheet named "**Domestic CTMS**".

Provide this information for each quarter (or month if your business calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

² The Commission applies the tests set out in s.269TAAD of the *Customs Act 1901* to determine whether goods are in ordinary course of trade. These provisions reflect the WTO Anti-Dumping Agreement – see Article 2.2.1.

PUBLIC RECORD

Response: Please refer to Exhibit G.3: Domestic CTMS.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

G-4 Cost to make and sell goods under consideration (exported to Australia)

The information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

Prepare this information in the attached spreadsheet named "**Australian CTMS**".

Provide this information for each quarter (or month if your business calculates costs on a monthly basis) over the period of the investigation.

Provide the information broken down into fixed and variable costs, and indicate the % total cost represented by fixed costs.

If you are unable to supply this information in this format, please contact the case officer for this investigation at the address shown on the cover of this questionnaire.

Please specify unit of currency.

Response: Please refer to Exhibit G.4: Australian CTMS.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

G-5 Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

Response: There are not cost differences between goods sold to the domestic market those sold for export.

G-6 Give details and an explanation of any significant differences between the costs shown, and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

Response: Not applicable. There aren't any significant differences between the costs shown, and the costs as normally determined in accordance with its general accounting system.

PUBLIC RECORD

G-7 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc) to determine the unit cost differs from the prior practice of your business.

Response: The allocation method used to determine the unit cost doesn't differ from the prior practice of the company's business.

G-8 Major raw material costs

List major raw material costs, which individually account for 10% or more of the total production cost.

For these major inputs:

- identify materials sourced in-house and from associated entities;
- identify the supplier; and
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (e.g. market prices, transfer prices, or actual cost of production).

Where the major input is produced by an associate of your business The Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Customs Act. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company); companies controlled by the other company; and companies having the same person in the board of directors.

If the major input is purchased or supplied from an integrated production process you should provide detailed information on the full costs of production of that input.

Response: All the major raw materials, namely aluminium ingots, are purchased from independent suppliers. Please refer to Exhibit I.4.4: Aluminium Purchases as provided below for the name of suppliers. Such raw material is valued on actual cost.

SECTION H – PARTICULAR MARKET SITUATION

For each review of the variable factors, the Commission seeks to confirm whether a 'market situation' exists in respect of aluminium extrusions from China due to government influence on both the prices of the goods and the major raw material inputs (aluminium) used in the manufacture of the goods.

The existence of a 'market situation' could affect the Commission's approach to calculating normal value within its dumping assessment.

In broad terms, it is generally the case that the normal value of the goods is the price paid for like goods sold for home consumption in the country of export. One of the exceptions to using domestic selling prices for this purpose provides that the domestic selling prices are not an appropriate basis for normal value if the Minister is satisfied that a situation in the market has rendered domestic selling prices unsuitable for establishing normal values (i.e. a 'particular market situation' exists).

One of these situations may be where the domestic selling prices in the country of export have been materially affected by government influence rendering those prices unsuitable for use in establishing normal values.

Through this questionnaire, the Commission is providing producers/exporters of the subject goods in China the opportunity to supply evidence that the sector under investigation is operating under competitive market conditions.

It may be necessary for the Commission to request additional information following receipt and review of your response.

There are three parts to this section:

PART H-1 - Requests information concerning the organisation of your company and the GOC's involvement in the business of your company.

PART H-2 - Requests information concerning the GOC's measures with respect to the aluminium industry in China.

PART H-3 - Requests information concerning the aluminium extrusions sector in the region where your company is located.

PART H-1 General information

The information requested in this part will provide an overview of your corporate organisation and the GOC's involvement in your business. In addition to your response to each of the questions, all necessary supporting documentation is requested.

1. Specific questions are asked throughout this questionnaire in relation to the GOC's interaction with your businesses.

However, please generally describe all interaction that your business has with the GOC 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.

Response: Except the tax related issues and annual review of business license, the company doesn't have any interactions with the GOC.

2. Business structure, ownership and management

- a) Indicate whether your company is an SOE (refer to the Glossary of Terms for definition).

Response: The Company is a private-owned enterprise rather than an SOE.

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

Indicate the names of common directors and officers between yours and related businesses, where applicable.

Response: The Company doesn't set Board of Directors or Board of Shareholders in its operation. As stated above, the supreme power of the Company is executive director, namely [CONFIDENTIAL, name of executive director]. No other entities is related to this Company.

PUBLIC RECORD

- c) 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 GOC (at any level, from any agency, party, or otherwise associated entity, including SASAC)?

If so, identify the individuals, their role on that Board and their affiliation with the GOC.

Response: The executive director, or any other employees of the Company has no affiliations with the GOC.

- d) 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 Chinese Communist Party (CCP)? If so, identify their name and title and indicate their position at the board level.

Response: The Company doesn't have any representative from the CCP.

- e) 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 GOC? If so, identify the government department(s) they represent.

Response: The executive director of the Company is not appointed, managed or recommended by the GOC.

- f) 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 GOC;
- employees of your business;
- foreign investors; or
- other (please specify).

Response: Please refer to the answers above in A.2.2 for the information concerning shareholders. None of them are an affiliate, representative, agency or otherwise representative of the GOC. All of them are individuals.

- g) Provide the details of any significant changes in the ownership structure of your business during the review period.

Response: No changes in the ownership structure of the company occurs during the POR.

- h) Identify any positions within your business that are appointments or designated to act on behalf of GOC authorities.

PUBLIC RECORD

Response: None of the positions is appointed or designated to act on behalf of government authorities.

- i) 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.

Response: There are no requirements in law or in practice to have government representation at any level of ZXM's business.

- j) 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.

Response: Not applicable. ZXM is not a publicly-traded company.

- k) Provide the monthly trading volume and average monthly trading price of your listed security between 1 August 2013 to 31 July 2014.

Response: Not applicable.

- l) Who has the ability to reward, fire or discipline your business' senior managers?

Response: The executive director or general manager has the ability to reward, fire or discipline senior managers.

- m) Do any of your company's senior managers hold positions in any GOC departments or organisations, associations or Chambers of Commerce? If so describe the nature of these positions.

Response: None of ZXM's senior managers hold positions in any GOC departments or organisations, associations or Chambers of Commerce

- n) Provide the names and positions of your company's pricing committee.

Response: Not applicable. The Company doesn't have pricing committee.

3. Licencing

- a) Provide a copy of your business licence(s).

Response: Please refer to Exhibit H.1.3.a): Business license.

- b) Identify the GOC departments or offices responsible for issuing the licence(s).

Response: The local Administration for Industry and Commerce is responsible for issuing the business license.

- c) Describe the procedures involved in applying for the licence(s).

PUBLIC RECORD

Response: The procedures involved in applying for business license are as following:

- (1) to form a company, an application shall be filed for the pre-approval of the company name;
- (2) a representative designated or an agent jointly authorized by all the shareholders shall apply for registration of incorporation to the company registration authority; and
- (3) to submit relevant documents as requested by laws and regulations, such as application form of registration of incorporation, articles of association, capital verification report, identity of each shareholder, and certificate of company residence etc.

- d) Describe any requirements or conditions that must be met in order to obtain the licence(s).

Response: To apply for incorporating a limited company, an applicant shall submit the following documents to the company registration authority:

- (1) a written application for registration of incorporation, which is signed by the legal representative of the company;
- (2) a certificate of designation of a representative or joint authorization of an agent by the board of directors;
- (3) articles of association of the company;
- (4) a capital verification report issued by a legally formed capital verification institution;
- (5) a certificate of transfer of title, which shall be submitted at the time of registration of incorporation, where the initial contribution made by a shareholder is non-monetary property;
- (6) a certificate of capacity of each promoter which is an entity or certificate of identification of each promoter which is a natural person;
- (7) documents stating the names and residences of the directors, supervisors and managers and certificates of the relevant appointment, election or employment;
- (8) an appointment document and a certificate of identification of the legal representative of the company;
- (9) a notice of pre-approval of enterprise;
- (10) a certificate of residence of the company; and
- (11) any other document as required.

- e) Describe and explain any restrictions imposed on your business by the business licence(s).

Response: The Company can freely decide its business within the scope of the license, and no other restrictions imposed on its operations.

- f) Describe any sanctions imposed on your business if you act outside the scope of your business licence(s).

Response: The registration authority may, depending on the circumstances, issue a warning, impose a fine, confiscate illegal income, order the suspension of business operations until the matter is rectified, or confiscate or revoke the business licence if the company acts outside the scope of the business license.

- g) Describe and explain any rights or benefits conferred to your business under the licence(s).

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Response: Any company intends to conduct business operations in China shall first acquire the business license. Enterprise legal person's business license is the proof that the enterprise has obtained the qualification of an enterprise legal person and to operate legally, and those companies who get such qualification can freely decide its operations.

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

Response: The relevant Administration for Industry and Commerce, which issued the business license to the company, is the competent authority to revoke the business license. The types of legal requirements that would cause the license to be revoked mainly include:

- (1) dissolution after liquidation;
- (2) bankruptcy;
- (3) acquired the business license by falsification of the registered capital and the circumstance is serious;
- (4) acquired the business license by false submissions or other fraudulent means and the circumstance is serious;
- (5) a company fails to open business more than six months after its incorporation without good reasons, or ceases business operation for more than six months consecutively after opening business;
- (6) where the business scope of a company to be modified includes any item which must be subject to approval according to a law, administrative regulation or decision of the State Council and such an approval is not acquired, if the company engages in the relevant business operation without the approval and the circumstance is serious;
- (7) where a company fails to accept the annual inspection according to legal provisions and after the competent authority give a prescribed time limit, the company still fails to accept the annual inspection within the prescribed time limit;
- (8) where a company forges, alters, leases, lends or transfers its business license and the circumstance is serious; and
- (9) where a company engages in serious illegal activities in the name of the company, which compromises the national security or public interest.

4. Decision-making, planning and reporting

- a) Provide a description of your business' decision-making structure in general and in respect of aluminium products. This should identify the persons or bodies primarily responsible for deciding:
- (i) what goods are produced;
 - (ii) how the goods are produced;
 - (iii) how levels of inputs such as raw materials, labour and energy are set and secured;
 - (iv) how the use of your outputs, such as how your product mix is determined; and
 - (v) how your business' profit is distributed

Response: The executive director is the supreme power of the company. All the important issues in the company level will be decided by the executive

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director. The specific and daily operation issues are decided by the senior managements of the company.

- b) Provide a description of any GOC input into the decision-making process about your manufacture, marketing and sale of aluminium products.

Response: The GOC doesn't input into the decision-making process about the manufacture, marketing and sale of aluminium products.

- c) Provide a list of all government departments/offices that are involved, either directly or indirectly, in your manufacture, sale or purchase of aluminium products.

Response: There are no government departments/offices that are involved, either directly or indirectly, in the manufacture, sale or purchase of aluminium products.

- d) List and describe all reports that must be submitted to the GOC periodically by your company, and identify the government department/office where each report is filed.

Response: Since ZXM is a very small business, no reports must be submitted to the GOC periodically by the company

- e) If not previously provided, provide a copy of the last two Provincial/City Five Year Plans (including the appendices) for the province/city in which your business is located, whichever is applicable. The copies should be fully translated including the appendices, along with the original Chinese version.

Response: No such Five Year Plans are applicable to the Company and ZXM has no awareness of such document.

- f) Does your business develop any five-year plans or similar planning documents? If so, provide copies of these plans and advise whether these plans have been submitted, reviewed or approved by the GOC (including the National Development and Reform Commission).

Response: The Company doesn't develop any five-year plans or similar planning documents.

- g) Provide copies of the minutes of your Board of Directors and Board of Shareholders meetings over the review period.

Response: Not applicable. The company doesn't set Board of Directors and Board of Shareholders.

- h) Provide copies of the notes to company meetings where pricing decisions on aluminium products have been made over the review period.

Response: Not applicable.

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PART H-2 GOC measures in the aluminium sector

The information requested in this part will allow for a better understanding of the GOC's measures in respect of aluminium in China. In addition to your response to each of the questions, all necessary supporting documentation is requested.

1. Were there any GOC opinions, directives, decrees, promulgations, measures, etc. concerning the aluminium industry/sector that were put in place or operating during the review period?

If yes, please provide a copy of that documentation and a translation as well. Also provide documentation concerning the GOC or any association of the GOC's notification of the measures concerning aluminium to your company over the review period.

Response: There aren't any GOC opinions, directives, decrees, promulgations, measures, etc. concerning the aluminium industry/sector that were put in place or operating during the review period.

2. Provide information concerning the name of any GOC departments, bureaus or agencies responsible for the administration of all GOC measures concerning the aluminium industry in the regions, provinces or special economic zones where your company is located.

Ensure that your response includes contact information regarding the following areas:

- industrial policy and guidance on the aluminium industry sector;
- market entry criteria for the aluminium industry sector;
- environmental enforcement for the aluminium industry sector;
- management of land utilisation;
- the China Banking Regulatory Commission for the aluminium industry sector;
- investigation and inspection of new aluminium expansion facilities;
- the section in the National Development and Reform Commission that is responsible for the aluminium industry sector; and
- import licensing for aluminium and other aluminium raw materials.

Response: The Company doesn't know any such GOC departments, bureaus or agencies responsible for the administration of all GOC measures concerning the aluminium industry.

3. **Other government approvals**

The following questions address the approvals that are necessary from various GOC agencies, including the National Development and Reform Commission, in order to continue or initiate aluminium investments.

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Response: The Company hasn't undertaken an approval process through the GOC for any aluminium or aluminium related investments in the last 10 years. The following questions concerning approvals are not applicable.

- a) Explain whether your company has undertaken an approval process through the GOC for any aluminium or aluminium related investments in the last 10 years.
- b) Explain whether any applicable investments received the necessary approval and if so, provide documentation confirming this approval.
- c) If your investment was not approved, provide the reasons given for the refusal.
- d) Describe the process your company has to follow to obtain these approvals.
- e) Provide a translated copy of the application form along with the original Chinese version.
- f) Identify the office that sent communication of these requirements to your company along with the office address, contact names, phone numbers and fax numbers.

4. The restructure of the aluminium industry in China

The Commission is aware of the GOC's *Guidelines on tackling severe overcapacity problem*. The following questions relate to these guidelines:

Response: The Company hasn't been communicated with any directives or measures from the GOC concerning this guideline. Thus, the following question concerning this document is not applicable to ZXN.

- a) Explain in detail if there were any directives or measures from the GOC that have been communicated to your business since the inception of these guidelines?
- b) Identify the Government department, association or company official that communicated these guidelines or any related measures to your business.
- c) Identify the Government department, association or company and names of officials who are responsible for the administration of these guidelines.
- d) Explain in detail how these guidelines have or might impact on your business. This may include reference to specific measures considered or taken by your business. Such items may include but are not limited to items such as project approval process, credit and loans terms (including any preferential interest rates),the

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environmental issues, discounted rate of energy and raw materials (aluminium, pre-alloyed product etc).

- e) Explain any on-going mechanism used by the GOC to measure your business compliance with the policy directives and/or guidelines.

PART H-3 The aluminium extrusions sector

The information requested in this part will assist in providing a better understanding of the GOC measures and your business' sales and production of aluminium extrusions.

In addition to your narrative response to each of the questions, all necessary supporting documentation is requested.

1. Export quotas and licensing

Response: Aluminium extrusions sold by the company are not subject to any export quotas. Thus, the following questions concerning quotas are not applicable.

- a) Are aluminium extrusions sold by your company subject to any export quotas?

If so, explain why aluminium extrusions are subject to quotas and the method by which the quotas are allocated.

Does this process involve any GOC participation in determining the selling prices of the goods? If so, explain.

- b) If Aluminium extrusions are not presently subject to export quotas, indicate if quotas existed during the review period and when and why they were removed.
- c) Identify the GOC agency which legislates and monitors any such quotas.
- d) Has the GOC set any targets or limits regarding the quantity of aluminium extrusions that you may sell on the domestic or export markets? If so, provide details.
- e) Are there any export licence requirements for aluminium extrusions? If so, provide details.

2. Taxation

- a) Were there any export taxes on the exports of aluminium extrusions during the review period?

Response: There weren't any export taxes on the exports of aluminium extrusions during the review period

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- b) What was the value-added tax (VAT) rebate applicable to Aluminium extrusions exports during the review period?

Response: The VAT rebate rate is 13% applicable to Aluminium extrusions exports during the POR.

- c) Have there been any changes to the VAT rebate applicable to aluminium exports in the last 5 years? If yes, provide:
- i. a detailed chronological history of the VAT rebate rates;
 - ii. products affected;
 - iii. the effective dates of the rate changes;
 - iv. fully translated copies of any GOC notices regarding these changes, including the relevant appendices.

Response: There aren't any changes to the VAT rebate applicable to aluminium exports in the last 5 years.

- d) Are you aware of any tax changes being planned that would impact the aluminium extrusions sector?

Response: The company aren't aware of any tax changes being planned that would impact the aluminium extrusions sector.

3. Sales terms

- a) Identify the person who authorises the sales terms, prices and other contract provisions for the sale of aluminium extrusions by your business.

Response: The sales manager authorizes the sales terms, prices and other contract provisions for the sale of aluminium extrusions.

- b) Explain how the selling prices of aluminium extrusions by your business are determined, including any GOC involvement in your business' pricing decisions, and indicate if the goods are subject to GOC direct or indirect pricing or government guidance pricing.

Response: The selling prices of aluminium extrusions are determined by negotiation with customers on a transaction basis. The GOC doesn't involve into the company's pricing decisions. The goods aren't subject to GOC's direct or indirect pricing or government guidance pricing.

- c) Does your business coordinate the selling prices or supply of aluminium extrusions with other domestic aluminium and aluminium product producers, any GOC departments, or the China Iron and Aluminium Association? If so, provide details.

Response: The company doesn't coordinate the selling prices or supply of aluminium extrusions with other domestic aluminium and aluminium product producers, any GOC departments, or the China Iron and Aluminium Association.

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- d) Explain whether your business provides aluminium extrusions price information/data to the GOC, other government officials or commercial/industry organisations, including those outside of China, which report on the aluminium sector.

Response: The company doesn't provide aluminium extrusions price information or data to the GOC, other government officials or commercial or industry organisations.

- e) Explain whether your business provides aluminium extrusions price data to any other person at the provincial, regional or special economic zone level of government.

Response: The company doesn't provide aluminium extrusions price data to any other person at any government level.

5. Industry associations

- a) Is your business a member of any industry associations? If so, explain your business' relationship with the association/s and the involvement of the GOC with the association/s.

Response: The company is not a member of any industry associations.

- b) 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 GOC concerning the aluminium industry.

Response: Not applicable.

6. Statistics submission/recording

- a) Indicate if your business makes submissions³ to the Chinese Bureau of Statistics and/or any other government organisation. If yes, explain the purpose of these submissions and the type of information submitted.

Response: The company doesn't make submissions to the Chinese Bureau of Statistics and/or any other government organisation.

- b) Provide a recent example of a submission that has been made to the Chinese Bureau of Statistics and/or any other government organisation. For example, monthly data relating to sales, production and costs.

Response: Not applicable.

³For example, monthly data relating to sales, production and costs.

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

Response: Not applicable.

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

Response: Not applicable.

7. Manufacturing inputs

- a) Is there a price difference in purchase price for raw materials (i.e. aluminium or other raw material) between your suppliers?

Response: The price is different when purchasing raw materials between different supplies.

- b) Is there a price difference between purchase price of raw materials from SOEs and non-SOEs? Provide explanation.

Response: The aluminium industry is highly market oriented and we see no price difference between purchase price of raw materials from SOEs and non-SOEs.

Note: Further questions regarding primary aluminium supply and pricing are asked in Section I of this questionnaire. Your responses to these questions are relevant to the assessment of whether a market situation exists. Please ensure responses to these questions are complete.

- c) If your supplier is based outside China, what import duty rate is applied on the raw materials (i.e. aluminium or other raw material)?

Response: All the raw materials are purchased domestically, thus, this question is not applicable.

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

Response: There isn't any concession on the purchase of any utility services.

8. Regional differences

- a) If you have production facilities in more than one region/province, are the laws and regulations in each region the same with respect to pricing? Provide details on any regional differences.

Response: The company only has one production facility, thus, this question is not applicable.

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9. Aluminium extrusions production/output during the investigation period

- a) Is any part of your production of aluminium extrusions subject to any national/regional industrial policy or guidance? If so, provide details including a background of the policy/guidance and explain any restriction imposed by the policy/guidance.

Response: The production of aluminium extrusions is not subject to any national/regional industrial policy or guidance.

- b) To what extent are any of the policies/guidelines identified in a) applicable to your business?

Response: Not applicable.

- c) Where applicable, how did your business respond to the policies/guidelines?

Response: Not applicable.

- d) Provide details regarding any other restrictions (e.g., geographic/regional, downstream, use, etc.) to the sale of aluminium extrusions that may be imposed by the GOC.

Response: No other restrictions are imposed by the GOC to the sale of aluminium extrusions.

10. Sales price during the investigation period

- a) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the GOC during the review period, with respect to domestic aluminium prices.

Response: The company hasn't been subjected to any direct or indirect price guidance or controls by the GOC during the POR.

- b) Explain whether your business has been subjected to any direct or indirect price guidance or controls by the GOC during the investigation period, with respect to raw material inputs (i.e. aluminium, etc.).

Response: The company hasn't been subjected to any direct or indirect price guidance or controls by the GOC during the POR.

- c) Explain whether your business has encountered any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

Response: the company hasn't encountered any price guidance or controls established by regional, provincial or special economic zone officials and/or organisations.

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11. Adding capacity and/or joint ventures

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

Response: No such government approval is needed for adding capacity. The approval process of joint venture concerning aluminium extrusion is same as to those joint ventures in other normal manufacturing sectors.

- b) 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.

Response: The government has no right to request modifications in the terms of adding capacity and/or joint ventures concerning aluminium extrusions.

SECTION I – COUNTERVAILING

Following the original investigation the Commission found that producers in China of aluminium extrusions and upstream suppliers have benefited from a number of subsidies granted by the GOC (meaning any level of government – refer to the Glossary of Terms for further information), and that these subsidies are countervailable.

ORIGINAL INVESTIGATED PROGRAMS

During the original investigation, Customs and Border protection found that aluminium extrusions exported to Australia from China were in receipt of countervailable subsidies.

Customs and Border Protection investigated 43 programs that were alleged to be countervailable subsidy schemes conferring benefit to aluminium extrusions. Of these, 19 programs were found to be countervailable subsidy programs that conferred benefits to aluminium extrusions exported to Australia from China during the original review period (1 July 2008 – 30 June 2009).

The following forms a list of those programs that were found to be countervailable programs that conferred benefit upon aluminium extrusions in the original investigation (using the numbering system from the original investigation)

This accelerated review will examine these programs, and enquire whether any other subsidy programs conferred benefit on the aluminium extrusions supplied during the accelerated review period (1 January 2012 – 30 December 2012):

- **Program 1:** Preferential tax policies for enterprises with foreign investment established in the coastal economic open areas and economic and technological development zones
- **Program 2:** One-time Awards to Enterprises Whose Products Qualify for ‘Well-Known Trademarks of China’ and ‘Famous Brands of China’;
- **Program 3:** Provincial Scientific Development Plan Fund
- **Program 4:** Export Brand Development Fund;
- **Program 5:** Matching Funds for International Market Development for SMEs;
- **Program 6:** Superstar Enterprise Grant;
- **Program 7:** Research & Development (R&D) Assistance Grant
- **Program 8:** Patent Award of Guangdong Province;
- **Program 9:** Training Program for Rural Surplus Labour Force Transfer Employment

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- **Program 10:** Preferential Tax Policies for Foreign Invested Enterprises – Reduced Tax Rate for Productive FIEs scheduled to operate for a period of not less than 10 years.
- **Program 13:** Tariff and VAT Exemptions on Imported Materials and Equipments
- **Program 15:** Goods provided at less than adequate remuneration
- **Program 16:** Preferential tax policies for enterprises with foreign investment established in Special Economic Zones (excluding Shanghai Pudong area);
- **Program 17:** Preferential tax policies for enterprises with foreign investment established in Pudong area of Shanghai
- **Program 18 -** Preferential tax policies in the Western Regions
- **Program 26:** Innovative Experimental Enterprise Grant;
- **Program 29:** Special Support Fund for Non-State-Owned Enterprises
- **Program 32:** Venture Investment Fund of Hi-Tech Industry, and
- **Program 35:** Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment

ADDITIONAL PROGRAMS CONSIDERED IN THIS REVIEW

Further to the 43 subsidy programs previously investigated, the Commission is considering a further 19 subsidy programs proposed in a submission by the Australian manufacturer, Capral Limited, dated 19 June 2014 and placed on the public record. These are:

- **Program 44:** Preferential lending programs - loans from Chinese policy banks and state-owned commercial banks
- **Program 45:** Provision of land use rights
- **Program 46:** Provision of electricity
- **Program 47:** Preferential tax policies for high and new technology enterprises
- **Program 48:** Provincial government of Guangdong tax offset for Research and Development
- **Program 49:** Exemption from city construction tax and education tax for FIEs
- **Program 50:** Refund of land use for firms located in the Zhaoqing new and High-tech Industrial Development Zone (ZHTDZ)
- **Program 51:** Fund for SME bank-enterprise cooperation projects
- **Program 52:** Special fund for science and technology in Guangdong
- **Program 53:** Provincial fund for fiscal and technological innovation
- **Program 54:** Provincial loan discount special fund for SMEs
- **Program 55:** Export rebate for mechanic, electronic, high-tech products
- **Program 56:** Provincial Government of Guangdong (PGOG) special fund for energy saving technology reform
- **Program 57:** PGOG science and technology bureau project fund
- **Program 58:** Development assistance grants from the ZHTDZ

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- **Program 59:** Provision of water
- **Program 60:** Provision of natural gas
- **Program 61:** Provision of heavy oil
- **Program 62:** Currency valuation

Please answer the questions within parts I-1 to I-9 in relation to these programs.

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PART I-1 Preferential income tax programs (programs 10, 16, 17, 18, 47, 48, 49, 50)

1. Did your business or any company/entity related to your business receive any benefit⁴ under the following preferential income tax programs during the review period (1 August 2013 to 31 July 2014):

- **Program 10:** Preferential Tax Policies for Foreign Invested Enterprises – Reduced Tax Rate for Productive FIEs scheduled to operate for a period of not less than 10 years.
- **Program 16:** Preferential tax policies for enterprises with foreign investment established in Special Economic Zones (excluding Shanghai Pudong area);
- **Program 17:** Preferential tax policies for enterprises with foreign investment established in Pudong area of Shanghai
- **Program 18 -** Preferential tax policies in the Western Regions
- **Program 47:** Preferential tax policies for high and new technology enterprises (pursuant to the Circular of the State Council concerning the approval of the national development zones for new and high technology industries and the relevant policies and provisions)
- **Program 48:** Provincial government of Guangdong tax offset for R&D

Response: The company doesn't receive any benefit under the above preferential income tax programs during the review period.

2. It is our understanding that the general tax rate for enterprises in China during the review period was 25%. Confirm whether this is correct and if not, please identify the general tax rate for enterprises in China during the review period.

Response: The general income tax rate or enterprises in China during the review period is 25%.

3. Provide a copy, bearing the official stamp of the appropriate level of the GOC, of all corporate income tax acknowledgement form(s) and the income tax return(s) that your company filed for the last three completed financial years.

Response: Please refer to Exhibit A.4.4 above for the income tax return.

Note: If your company did not file an income tax return in the last three financial years, provide an explanation stating the reasons why you were exempt from filing such a return and the applicable section[s] of the Income Tax Act under which you were exempt from doing so.

⁴ Refer to the Glossary of Terms for a definition of benefit in this context.

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4. If your business currently pays corporate income tax at a rate less than 25% (or whatever the rate of general tax is as discussed above), or paid at a rate less than that during the review period, please indicate whether the reduced rate relates to any of the preferential income tax programs identified above.

Response: Not applicable.

5. If the income tax rate of less than the general rate does not relate to any of the programs identified above, please provide an explanation for the reduced income tax rate and answer the questions in Part I-1 above in relation to the income tax rate reduction.

Response: Not applicable.

For **each program** that you have identified above as conferring benefit on your entity, answer the following.

Response: Not applicable. Since no programs have been identified above as conferring benefit on the company, the following specific questions are not applicable.

6. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.
7. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products).
8. Describe the application and approval procedures for obtaining a benefit under the program.
9. 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 GOC in relation to the program.
10. Outline the fees charged to, or expenses incurred by your business for the purposes of receiving the program.
11. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
12. 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.

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13. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
14. 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.
15. Indicate where benefits under this program can be found in your accounting system (i.e. specify the ledgers or journals) and financial statements.
16. To your knowledge, does the program still operate or has it been terminated?
17. 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 terminated program has been substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.

18. For each of your last three completed taxation years, complete the table as described below.

Prepare this information in the attached spreadsheet named "**Income Tax**" included as part of the *Exporter Questionnaire accompanying spreadsheet* provided with this questionnaire.

Response: Please refer to **Exhibit I.1.18: Income Tax.**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

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PART I-2 Grants and preferential policies (Programs 2, 3, 4, 5, 6, 7, 8, 9, 26, 29, 32, 35)

In the original investigation Customs and Border Protection considered grants provided to enterprises under the following identified programs:

- **Program 2:** One-time Awards to Enterprises Whose Products Qualify for 'Well-Known Trademarks of China' and 'Famous Brands of China';
- **Program 3:** Provincial Scientific Development Plan Fund
- **Program 4:** Export Brand Development Fund;
- **Program 5:** Matching Funds for International Market Development for SMEs;
- **Program 6:** Superstar Enterprise Grant;
- **Program 7:** Research & Development (R&D) Assistance Grant
- **Program 8:** Patent Award of Guangdong Province;
- **Program 9:** Training Program for Rural Surplus Labour Force Transfer Employment
- **Program 26:** Innovative Experimental Enterprise Grant;
- **Program 29:** Special Support Fund for Non-State-Owned Enterprises
- **Program 32:** Venture Investment Fund of Hi-Tech Industry, and
- **Program 35:** Grants for Encouraging the Establishment of Headquarters and Regional Headquarters with Foreign Investment

In addition, in this review the Commission is considering whether any grants have been provided to the aluminium extrusions industry in China under the following programs:

- **Program 49:** Exemption from city construction tax and education tax for FIEs
- **Program 50:** Refund of land use for firms located in the ZHTDZ
- **Program 51:** Fund for SME bank-enterprise cooperation projects
- **Program 52:** Special fund for science and technology in Guangdong
- **Program 53:** Provincial fund for fiscal and technological innovation
- **Program 54:** Provincial loan discount special fund for SMEs
- **Program 55:** Export rebate for mechanic, electronic, high-tech products
- **Program 56:** PGOG special fund for energy saving technology reform
- **Program 57:** PGOG science and technology bureau project fund
- **Program 58:** Development assistance grants from the ZHTDZ

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1. Did your business or any company/entity related to your business receive any benefit under the above programs during the period **1 January 2011 to 31 July 2014**?

Response: The company doesn't receive any benefit under the above programs during the POR.

2. Did your business receive benefits under any other grant (including awards, prizes, funds) program during the period **1 January 2011 to 31 July 2014**?

Response: The company doesn't receive any other grant program under the above programs during the POR.

For each program identified in your answer to I-2.1 and I-2.2 above, answer the following.

Response: Not applicable. Since no programs have been identified above, the following specific questions are not applicable.

3. Provide complete details involving the amount of the grant received, including whether the grant was received in a lump sum or multiple instalments.
4. 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).
5. Describe the application and approval procedures for obtaining a benefit under the program.
6. 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 GOC in relation to the program.
7. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
8. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
9. 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.

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10. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
11. 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.
12. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
13. To your knowledge, does the program still operate or has it been terminated?
14. 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 and answer all the questions in Part I-1 in relation to this programme.

15. Identify the body responsible for administering the grant.
16. Identify the date of approval of the grant and the date the grant was received.

Indicate where the grant was accounted for on your business' financial statements.

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PART I-3 Tariff and VAT Exemptions on Imported Materials and Equipment (Program13)

It is our understanding that certain enterprises in China are eligible for exemption from the payment of import duty and import VAT on imported inputs, technologies and equipments including the following identified programs

Program 13: Exemption of tariff and import VAT for imported technologies and equipments

If your business or any company/entity related to your business received benefits under any such program during the period **1 August 2005 to 31 July 2014**, please answer the following questions.

Response: The company doesn't receive benefits under any such program during the period **1 August 2005 to 31 July 2014** since all the equipments are procured domestically. Therefore, the following specific questions are not applicable.

1. Provide complete details involving the exemption of tariff and import VAT received, for any imported technologies and equipment.
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. Prepare this information in the attached spreadsheet named "**VAT and Tariff**" included as part of the *Exporter Questionnaire accompanying spreadsheet* provided alongside this questionnaire.
3. Describe the application and approval procedures for obtaining a benefit under these programs.
4. Where applicable, provide copies of the application form or other documentation used to apply for these programs, all attachments and all contractual agreements entered into between your business and the GOC in relation to the program.
5. Outline the fees charged to, or expenses incurred by your business for purposes of receiving these programs.
6. Outline the eligibility criteria your business had to meet in order to receive benefits under these programs.
7. State whether your eligibility for these programs 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.

PUBLIC RECORD

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.
9. What records does your business keep regarding each of the benefits received under these programs? Provide copies of any records kept in relation to the program.
10. Indicate where benefits under these programs can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
11. To your knowledge, do these programs still operate or have they been terminated?
12. If these programs have 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?
13. If any of these programs have been terminated and is being substituted for by another program, identify the program and answer all the questions in Part I-1 in relation to this programme.
14. 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.

Has your company received exemption from payment, or refunds of import duty and import VAT, for imported material inputs including technologies and equipments

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 (f.o.b., c.i.f., etc);
- (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;

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- (l) amount of duties and taxes exempt;
- (m) date of importation;
- (n) tariff classification number;
- (o) customs entry number; and
- (p) application fee.

15. Explain if (and how) the GOC 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).
16. Explain how the GOC 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.

17. 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.
18. 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 GOC 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.

Provide copies of reports and audits by the GOC 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.

PUBLIC RECORD

PART I-4 Aluminium provided by government at less than fair market value (Program 15)

In the original investigation Customs and Border Protection considered claims that public bodies (in the form of state-owned enterprises (SOEs)) were supplying aluminium, directly or indirectly, to manufacturers of aluminium extrusions at less than fair value. Aluminium is defined as all forms of aluminium, whether in pure form or alloyed.

The term SOE is defined in the glossary of this questionnaire.

In relation to this program, provide the following information.

1. Did your business or any company/entity related to your business receive any benefit under the above program during the review period 1 August 2013 to 31 July 2014?

Response: **There aren't any benefit received under this program during the POR.**

2. Does your business purchase primary aluminium from SOEs?

Response: **The company doesn't purchase primary aluminium from SOEs.**

3. Provide a list, including a contact name and address, of all your suppliers of aluminium. Indicate whether the supplier is a SOE and whether they supply pure aluminium, aluminium alloy, or both.

Response: **Please refer to Exhibit I.4.4: Aluminium Purchases as below for the requested information.**

4. Provide a listing showing the purchase price of aluminium from each supplier during each month of the review period.

Prepare this information in the attached spreadsheet named "**Aluminium Purchases**" included as part of the *Exporter Questionnaire – CHINA – accompanying spreadsheet* provided alongside this questionnaire.

Please add more space for additional suppliers and aluminium categories as required.

Response: **Please refer to Exhibit I.4.4: Aluminium Purchases**

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

PUBLIC RECORD

5. Did your business receive any reduction/reduced price for the purchase of these goods/services during the review period? If so, describe the eligibility criteria that your business had to meet in order to qualify for any reduction in the price paid for the goods/services.

Response: **The company doesn't receive any reduced price for the purchase of primary aluminium during the POR.**

6. Provide copies of all contractual agreements that detail the obligations of the SOE and your business with reference to the granting and receipt of the assistance/benefits.

Response: **Not applicable. The company doesn't purchase primary aluminium from SOEs.**

7. Did your business import any raw material during the investigation period? If yes, please provide details of all such imports, including date, source, type, amount and price.

Explain the reason/s for your business' decision to purchase imported over domestic raw materials, including the key factors affecting the decision such as price, availability etc.

Response: **Not applicable. All the raw materials are purchased domestically during the POR.**

PUBLIC RECORD

PART I-6 Preferential loans (Program 44)

It has been alleged that preferential lending or 'policy loans' from Chinese policy banks or state-owned commercial banks (SOCBs) may be providing a benefit to Chinese aluminium extrusion manufacturers.

Response: The Company doesn't have preferential lending or 'policy loans' from Chinese policy banks or state-owned commercial banks (SOCBs), thus, no such benefit is obtained under this program. The following questions are not applicable.

1. Please provide details of any loans your company has received from Policy banks and SOCBs since 1 January 2005. In doing so please provide information on each loan as follows:
 - Date of loan
 - Amount of loan
 - Currency of loan
 - Name and Address of Bank.
 - Period of loan
 - Purpose of loan. Identify if the loan was for the purchase of capital equipment. If so please identify the effective life of the purchased equipment that you use for accounting purposes.
 - Interest Rate of loan
 - Type of loan (Fixed /Variable?).
 - Repayment schedule. If variable or a fixed rate loan with differing repayment schedules please provide full and complete details on payment terms and how periodic interest repayment terms are calculated.
 - Details of any loan variations or debt forgiveness.
2. For each loan identified please indicate which loans were provided at less than market rate to enact or enable the government of China's policy to support the growth and development of the aluminium industry. Provide the interest rate for the loan that would have been available to your company if your company had not received the less than market rate loan.
3. Please describe the qualification and approval process that your company had to undertake to qualify for these loans.
4. What eligibility criteria did you company have to meet in order to qualify for this lending program?
5. Was eligibility contingent upon export performance or on the use of domestic goods over imported goods? If not:
 - was eligibility limited to certain sectors and/or regions?
 - was eligibility limited in any way? If so, describe the criteria involved.
 - can all firms which meet the eligibility criteria benefit from this aid or does the bank exercise discretion?

PUBLIC RECORD

was eligibility met by performance requirements such as, but not limited to, production targets, export earnings and the requirement to use Chinese productive inputs?

6. Please provide supporting documentation to evidence your company's receipt of these loans including the loan application, the loan contract, approval copies of the loans received, relevant extracts from your accounting records and supporting information that the rates and repayments established under the loan contract have been paid.
7. Please estimate the amounts of the benefit your company has received over the life of the loan under this lending program. You can do this by comparing the interest payments made to the interest payments that would have been paid if the loan was provided at the market rate.

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PART I-7 Provision of goods programs – Provision of land use rights, electricity, water, natural gas and heavy oil at less than adequate remuneration (Programs 45 46, 59, 60, and 61)

The Commission has received a submission that the aluminium extrusion industry in China may receive, for less than adequate remuneration, goods and services such as the provision of electricity, water, natural gas, and heavy oil.

1. Did your business or any company/entity related to your business receive any benefit⁵ under the following programs during the review period (1 August 2013 to 31 July 2014):

- Program 45: Provision of land use rights
- Program 46: Provision of electricity
- Program 59: Provision of water
- Program 60: Provision of natural gas
- Program 61: Provision of heavy oil

Response: The company doesn't receive any benefits from the above programs during the POR.

2. Does your company purchase any of the above goods from SOEs?

Response: The electricity is supplied by [CONFIDENTIAL, name of electricity supplier].

The water is supplied by [CONFIDENTIAL, name of water supplier].

No natural gas is purchased during the POR.

The heavy oil is supplied by [CONFIDENTIAL, name of heavy oil supplier].

3. Provide a list, including a contact name and address, of all your suppliers of the goods listed in question 1 above. Indicate whether each supplier is a SOE.

Response: Please refer to Exhibit I.7.3: Supply of electricity, water and heavy oil.

[Information contained in the above exhibit cannot be susceptible to a meaningful non-confidential summary. Since these information are related to the Company's commercial activities and sensitive business information, disclosure of which could harm the Company's market and competitive position.]

4. Describe the costs (fees and charges) associated with these programs. In particular, any fixed charges and variable charges related to supply of the good/service.

⁵ Refer to the Glossary of Terms for a definition of benefit in this context.

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Response: **ZXM did not receive any benefits under these programs, and it did not pay any fees or charges related to these programs.**

5. Provide a schedule showing the average purchase price of each good from each supplier during each month of the investigation period.

Response: **Please refer to Exhibit I.7.3 above.**

6. During the review period, did your business receive any discount to normally available prices of the goods listed in question 1 above. If so, please provide details.

Response: **The company didn't receive any discount to normally available prices of the goods listed in question 1 above.**

PUBLIC RECORD

PART I-8 Any other programs

If the GOC, any of its agencies or any other public body or authorised body has provided any other benefit⁶ under any other assistance programs to your entity not previously addressed, identify the program(s).

This may have included:

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

Response: Not applicable.

For **each program** that you have identified above as conferring benefit on your entity, answer the following.

1. 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).
2. Describe the application and approval procedures for obtaining a benefit under the program.
3. 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 GOC in relation to the program.
4. Outline the fees charged to, or expenses incurred by your business for purposes of receiving the program.
5. Outline the eligibility criteria your business had to meet in order to receive benefits under this program.
6. 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.

⁶ Refer to the Glossary of Terms for a definition of benefit in this context.

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7. If the benefit was provided in relation to a specific activity or project of your entity, please identify the activity and provide supporting documentation.
8. 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.
9. Indicate where benefits under this program can be found in your accounting system (i.e., specify the ledgers or journals) and financial statements.
10. To your knowledge, does the program still operate or has it been terminated?
11. 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 and answer all the questions in Part I-1 in relation to this programme.

**SECTION J – EXPORTER/PRODUCER’S
DECLARATION**

I hereby declare that.....(company)
did, during the assessment period export the goods under consideration
and 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.

or

I hereby declare that.....(company)
did, during the assessment period, produce the goods under
consideration which were exported to Australia by another company
and 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 :.....

PUBLIC RECORD

SECTION K - CHECKLIST

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

Section	Please tick if you have responded to all questions
Section A – General information	<input type="checkbox"/>
Section B – Export price	<input type="checkbox"/>
Section C – Like goods	<input type="checkbox"/>
Section D – Domestic price	<input type="checkbox"/>
Section E – Fair comparison	<input type="checkbox"/>
Section F – Exports to third countries	<input type="checkbox"/>
Section G – Costing information	<input type="checkbox"/>
Section H – Particular Market Situation	
Section I – Countervailing	<input type="checkbox"/>
Section J – Declaration	<input type="checkbox"/>

Electronic Data	Please tick if you have provided spreadsheet
INCOME STATEMENT	<input type="checkbox"/>
TURNOVER – sales summary	<input type="checkbox"/>
AUSTRALIAN SALES – list of sales to Australia	<input type="checkbox"/>
LIKE GOODS – comparison between goods sold domestically and exported to Australia.	<input type="checkbox"/>
DOMESTIC SALES – list of all domestic sales of like goods	<input type="checkbox"/>
THIRD COUNTRY – third country sales	<input type="checkbox"/>
PRODUCTION – production figures	<input type="checkbox"/>
DOMESTIC CTMS – costs of goods sold domestically	<input type="checkbox"/>
AUSTRALIAN CTMS – costs of goods sold to Australia	<input type="checkbox"/>
INCOME TAX – income tax paid, exempted or	<input type="checkbox"/>

PUBLIC RECORD

refunded	
ALUMINIUM PURCHASES – average aluminium raw material purchase prices	<input type="checkbox"/>

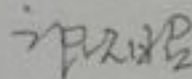
**SECTION J – EXPORTER/PRODUCER'S
DECLARATION**

I hereby declare that Zhaoqing Xinlianchang Metal Corporation Ltd. (company) did, during the assessment period export the goods under consideration and 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.

or

I hereby declare that.....(company) did, during the assessment period, produce the goods under consideration which were exported to Australia by another company and 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: KUANG, Cizhao



Signature:.....

Position in Company: Executive Director

Date: September 13, 2014

Exhibit A.3.9 Internal organisation chart

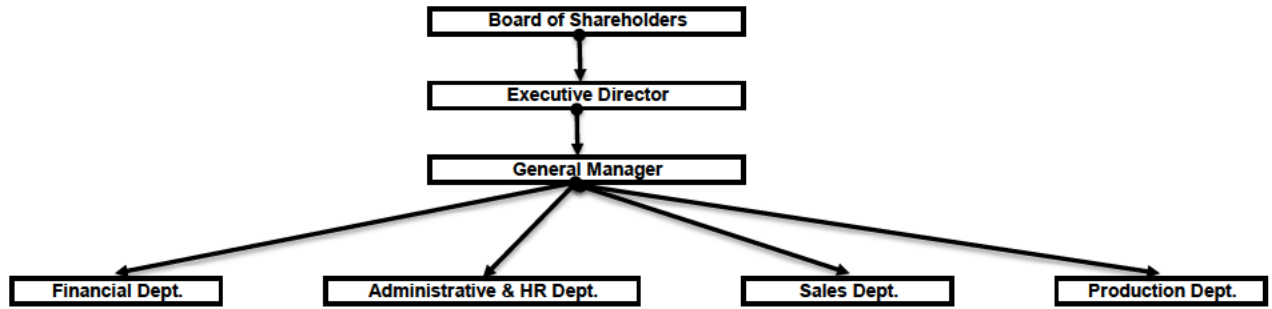


Exhibit A.4.3 Chart of accounts

Code	Item
1001	Cash
1002	Cash in bank
1122	Account receivable
1221	Other receivables
1301	Unamortized expense
1403	Raw material
1405	Inventories
1601	Fixed assets
1602	Accumulated depreciation
1604	Construction in progress
1701	Intangible assets
1801	Long-term unamortized expenses
2001	Short-term loans
2176	Other fees payable
2191	Accrued expenses
2202	Account payable
2211	Salaries payable
2221	Tax and surcharges payable
2241	Other payables
3001	Paid-up capital
3103	Profit of current year
3104	Profit distribution
4001	Production cost
4101	Manufacture expense
5001	Main business income
5401	Main business cost
5403	Operating tax and surcharges
5601	Selling expenses
5602	Administrative expenses
5603	Financial expenses
5701	Previous year income adjustment
5711	Non-operating cost
5801	Corporate income tax

PUBLIC RECORD

Zhaoqing Xinlianchang Metal Corporation Ltd.

A.5 INCOME STATEMENT

	2013		Review period 1 August 2013 – 31 July 2014		
	All products	GUC	All products	GUC	
Gross Sales (1)	100	100	100	100	
Sales returns, rebates and discounts (2)	-	-	-	-	
Net sales (3) = (1-2)	100	100	100	100	
Raw materials (4)	-	-	-	-	Note*
Direct labour (5)	-	-	-	-	
Depreciation (6)	-	-	-	-	
Manufacturing overheads (7)	-	-	-	-	
Other operating expenses (8)	-	-	-	-	
Total cost to make (9) = (4+5+6+7+8)	91	91	91	91	
Operating income (10) = (3-9)	9	9	9	9	
Selling expenses (11)	1	1	1	1	
Administrative & general expenses (12)	4	4	4	4	
Financial expenses (13)	4	4	3	3	
SG&A expenses (14) = (11+12+13)	9	9	7	7	
Taxes and surcharges	0	0	0	0	
Income from normal activities (15) = (10-14)	-0	-0	1	2	
Interest income (16)	-	-	-	-	
Interest expense (enter as negative) (17)	-	-	-	-	
Extraordinary gains/losses (enter losses as negative) (18)	-	-	-	-	
Abnormal gains/losses (enter losses as negative) (19)	-	-	-0	-0	
Profit before tax (20) =(15+16+17+18+19)	-0	-0	1	2	
Tax (21)	-	-	0	0	
Net profit (22) = (20-21)	-0	-0	1	1	

Note *: According to the Chinese GAAP, we can not breakdown the cost of sale into detailed items in the Income Statement.

PUBLIC RECORD

Zhaoqing Xinlianchang Metal Corporation Ltd.

A.6 SALES SUMMARY

	2013		Review period 1 August 2013 – 31 July 2014	
	Volume	Value	Volume	Value
Total company turnover (all products)	100	100	100	100
domestic market	100	100	100	100
exports to Australia	-	-	0	0
exports to other countries	-	-	-	-
Turnover of the sector including the GUC	92	98	83	83
domestic market	92	98	83	83
exports to Australia	-	-	0	0
exports to other countries	-	-	-	-
Turnover of the GUC	92	98	83	83
domestic market	92	98	83	83
exports to Australia	-	-	0	0
exports to other countries	-	-	-	-

Exhibit G.1.1 Production process flowchart



PUBLIC RECORD

Zhaoqing Xinlianchang Metal Corporation Ltd.

G.1.2 PRODUCTION

	2012	2013	Review period 1 August 2013 – 31 July 2014
Production capacity* (kg) [A]	100	100	100
Actual production in volume (kg) [B]	33	71	77
Capacity utilisation (%) (B/A x 100)	33%	71%	77%

BUSINESS LICENSE FOR LEGAL PERSON ENTERPRISE

(COUNTERPART)

REGISTRATION NUMBER: 441200000034789

NAME: Zhaoqing Xinlianchang Metal Corporation Ltd.

DOMICILE: Linjiang Industry Zone, Zhaoqing High-tech Area, Zhaoqing

LEGAL REPRESENTATIVE: Kuang Cizhao

REGISTERED CAPITAL: RMB 50,000,000 yuan

PAID-IN CAPITAL: RMB 50,000,000 yuan

TYPE OF THE COMPANY: Limited Liability Company

BUSINESS SCOPE: Manufacture, process and sales of auto parts, metal ware and hardware (business involving business scope that is prohibited by relevant laws and regulations shall not be carried out; business shall not be carried out before approval if it is required to.)

ESTABLISHMENT DATE: Aug. 31, 2009

OPERATING TERM: FROM Aug. 31, 2009 TO

STATEMENT

1. Enterprise legal person's business license is the proof that the enterprise has obtained the status of an enterprise legal person and to operate legally.
2. Enterprise legal person's business license has one original copy and one duplicate copy. Both copies have equally legal effect.
3. The original copy has to be placed at a significant place in the address of the enterprise.
4. The business license may not be forged, leased, lent or transferred.
5. If any items registered with the authority incurred any changes, they must be registered with the original authority.
6. The annual examination takes place from 1 March to 30 June each year.
7. If the business has been withdrawn by the registration authority, enterprise legal persons shall not carry out business except liquidation.
8. When applying for cancellation, the original and duplicate copies have to be returned.
9. If business license is lost or damaged, the enterprise must declare that the former license becomes invalid on the newspaper appointed by the original authority and apply for a new one.

ANNUAL RENEWAL

Annually reviewed in 2011	Annual reviewed in 2012		

REGISTERED DEPARTMENT: Zhaoqing Administration for Industry and
Commerce (Seal)

DATE: March 5, 2012

企业法人营业执照

(副本)(副本号:1-1)

注册号441200000034789

名称 肇庆新联昌金属实业有限公司

住所 肇庆高新区临江工业园

法定代表人姓名 邝次昭

注册资本 人民币伍佰万元

实收资本 人民币伍佰万元

公司类型 有限责任公司

经营范围 生产、加工、销售：汽车配件、金属制品、五金件。(经营范围涉及法律、法规禁止的，不得经营；应经审批的，未获审批前不得经营)

成立日期 二〇〇九年八月三十一日

营业期限 至长期



须知

- 1.《企业法人营业执照》是企业法人资格和合法经营的凭证。
- 2.《企业法人营业执照》分为正本和副本，正本和副本具有同等法律效力。
- 3.《企业法人营业执照》正本应当置于住所的醒目位置。
- 4.《企业法人营业执照》不得伪造、涂改、出租、出借、转让。
- 5.登记事项发生变化，应当向公司登记机关申请变更登记，换领《企业法人营业执照》。
- 6.每年三月一日至六月三十日，应当参加年度检验。
- 7.《企业法人营业执照》被吊销后，不得开展与清算无关的经营活动。
- 8.办理注销登记，应当交回《企业法人营业执照》正本和副本。
- 9.《企业法人营业执照》遗失或者毁损的，应当在公司登记机关指定的报刊上声明作废，申请补领。

年度检验情况

			
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二〇一二年三月五日