



**Australian Government**  
**Anti-Dumping Commission**

### **Exporter Questionnaire**

**Product:** Certain aluminium extrusions  
**From:** The People's Republic of China  
**Review period:** 1 April 2013 to 31 March 2014  
**Response due by:** DATE **August 18, 2014**  
**Contact officer:** Mick Kenna

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

**Return completed questionnaire to:** Anti-Dumping Commission  
5 Constitution Avenue  
Canberra ACT 2601  
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: Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd.*

*Name: Lei Li Quan*

*Position in the company: CEO*

*Address: Shiqiao Industrial Zone, Dajiang County, Taishan City, Guangdong Province, PRC*

*Telephone: (86) 750 543 8596*

*Facsimile number: (86) 750 543 8173*

*E-mail address of contact person: [lilei@kamkiu.com](mailto:lilei@kamkiu.com)*

*Factory:*

*Address: Shiqiao Industrial Zone, Dajiang County, Taishan City, Guangdong Province, PRC*

*Telephone: (86) 750 543 8596*

*Facsimile number: (86) 750 543 8173*

*E-mail address of contact person: [lilei@kamkiu.com](mailto:lilei@kamkiu.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: Zhong Lun Law Firm**

**Address: 36-37/F, SK Tower, 6A Jianguomenwai Avenue, Chaoyang District, Beijing 100022, P.R.China**

**Telephone: 86-10-59572288**

**Facsimile/Telex number: 86-10-65681838**

**E-mail address of contact**

**person: [liujianwei@zhonglun.com](mailto:liujianwei@zhonglun.com); [guanjian@zhonglun.com](mailto:guanjian@zhonglun.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.

**Answer:**

**The legal name of the company is Tai Shan City Kam Kiu Aluminium Extrusion Co., Ltd. (KAE). It is a wholly foreign-owned enterprise established under Chinese Company Law. There was no any other business names used.**

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

**Answer:**

**KAE was [LIMITED] owned by [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

**[LIMITED] was incorporated in [LIMITED] as an investment holding company.**

*[Information contained in the above answer 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.]*

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.

**Answer:**

**KAE is [LIMITED] owned by [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

**KAE is [LIMITED] owned by [LIMITED].**

**[LIMITED] was [LIMITED] owned by [LIMITED], a private investment holding company incorporated in [LIMITED].**

*[Information contained in the above answer 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. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

**Answer:**

**[LIMITED] is owned by two shareholders:**

**[LIMITED], an investment holding in [LIMITED], holds [LIMITED] shares of [LIMITED];**

**[LIMITED], an investment holding in BVI, holds [LIMITED] shares of [LIMITED];**

*[Information contained in the above answer 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. Provide a diagram showing all associated or affiliated companies and your business' place within that corporate structure.

**Answer:**

**Please refer to Exhibit A-3.5 for the corporate structure.**

**From this corporate structure, it is clear that all related companies are 100% owned by KIH. Thus, all companies, including KAE and Kam Kiu Aluminium Products Sdn. Bhd. (KMY), owned by KIH consist of a single economic entity.**

*[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.

**Answer:**

**There was no such kind of fee or allocation charged to KAE.**

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

**Answer:**

**KAE is a producer of GUC and [LIMITED].**

*[Information contained in the above answer 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.]*

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:

**Answer:**

**KAE performs [LIMITED].**

**Besides, [LIMITED].**

**The detail of KMY is as follows:**

Full Name	Contact name and phone number	Address
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<p>Kam Kiu Aluminium Products Sdn. Bhd.</p>	<p>Peter Chan (852) 6942 2829</p>	<p><b>Office:</b> Avenida da Praia Grande, 429 Praia Grande Commercial Centre, 7 andar C, Macau</p> <p><b>Registered Address:</b> Level 18, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia</p>
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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.

**Answer:**

Please refer to **Exhibit A-3.9** for the internal organisation chart. The function of each department can be inferred from each department's name.

Please refer to the following table for the details of senior management.

Name of Senior Management	Current Position
[LIMITED]	[LIMITED]

*[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.]*

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

**Answer:**

The members of Board of Directors are as follows: [LIMITED].

*[Information contained in the above answer 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.]*

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

**Answer:**

There was no annual report published by KAE. Please refer to **Exhibit A-3.11** for the product brochures issued by KAE.

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?

**Answer:**

**The Company does not operate in the above mentioned 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 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).

**Answer:**

**Not applicable.**

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.

**Answer:**

**KAE sells to [LIMITED]. In addition, [LIMITED]**

*[Information contained in the above answer 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.]*

**A-4 General accounting/administration information**

1. Indicate your accounting period.

**Answer:**

**The accounting period was from January 1 to December 31.**

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



**Answer:**

The address for keeping the financial records is Shiqiao Industrial Zone, Dajiang County, Taishan City, Guangdong Province, PRC.

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;
  - audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion);
  - internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and 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.

**Answer:**

Please refer to **Exhibit A-4.3.1** for the Chart of Accounts for both year 2012 and 2013.

Please refer to **Exhibit A-4.3.2** for the audit report of KAE for year 2012.

Please refer to **Exhibit A-4.3.3** for the audit report of KAE for year 2013.

Please refer to **Exhibit A-4.3.4** for KAE's monthly financial statements from January to June 2014.

**There were no internal financial statements or reports maintained for goods under investigation.**

*[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. 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.

**Answer:**

**The accounts have been audited, so this question is not applicable.**

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

**Answer:**

The KAE's accounts are consistent with Chinese GAAP.

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);

**Answer:**

**Purchase Cost of raw materials is valued according to [LIMITED]. The issuance and inventory of raw materials and finished goods are valued by [LIMITED]. The value of work-in-process is [LIMITED].**

*[Information contained in the above answer 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.]*

- 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);

**Answer:**

**KAE applies [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

**The damaged or sub-standard goods were [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

[LIMITED]

The scrap materials are [LIMITED].

*[Information contained in the above answer 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.]*

- valuation and revaluation methods for fixed assets;

**Answer:**

**Fixed assets are valued according to [LIMITED]. Depreciation is calculated by [LIMITED]. There was no revaluation for the fixed assets.**

*[Information contained in the above answer 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.]*

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

**Answer:**

**The depreciation method is [LIMITED].  
[LIMITED]**

*[Information contained in the above answer 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.]*

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

**Answer:**

**The exchange gains and losses resulting from foreign currency transaction are booked in general ledger of financial expenses.**

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

**Answer:**

**The year-end asset and liability balance which express as foreign currency are converted into RMB YUAN according to the year-end exchange rate.**

- inclusion of general expenses and/or interest;

**Answer:**

The general expenses are recorded in the general ledger of Operation Expenses. The interest is normally recognized as Financial Expenses and maybe capitalized if it is incurred for the construction of fixed assets.

- provisions for bad or doubtful debts;

**Answer:**

The bad debt is recognized when it was actually incurred, and no provisions are drawn.

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

**Answer:**

There was no such expense incurred, so this question is not applicable.

- costs of plant closure;

**Answer:**

There was no such expense incurred, so this question is not applicable.

- restructuring costs;

**Answer:**

There was no such expense incurred, so this question is not applicable.

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

**Answer:**

**[LIMITED]**

The scrap materials are **[LIMITED]**.

*[Information contained in the above answer 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.]*

- effects of inflation on financial statement information.

**Answer:**

**There was no inflation incurred, so this question is 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.

**Answer:**

**There was no change of accounting methods used by the company.**

## 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**".

*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.*

**Answer:**

Please refer to **Exhibit A-5** for the **Income Statement**.

*[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.]*

## 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**".

**Answer:**

Please refer to **Exhibit A-6** for the **Turnover**.

*[This confidential information is provided to the ADC for investigation. Since 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 Assessment 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.*

**Answer:**

**All export sales to Australia during the RIP were made through KMY, please refer to KMY's questionnaire responses for detailed information.**

**SECTION C – EXPORTED GOODS & LIKE GOODS**

**Please refer to KMY's responses for detailed information.**



**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.

**Answer:**

**[LIMITED] domestic sales of the GUC are made by KAE and [LIMITED]. The flow chart for movement of the GUC is [LIMITED]**

*[Information contained in the above answer 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-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.

**Answer:**

**The domestic selling prices [LIMITED].**

*[Information contained in the above answer 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-3** Explain in detail the sales process, including:

- 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.

**Answer:**

**Price negotiation and price quotations shall [LIMITED], KAE does not keep price list.**

*[Information contained in the above answer 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-4** Complete the attached named “**Domestic Sales**” listing **all** sales of like goods made during the assessment period. Include all of the following information.

**Answer:**

Please refer to Exhibit D-4 for the 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.

**Answer:**

**KAE [LIMITED] in Exhibit D-4, please refer to it for detailed information.**

*[Information contained in the above Exhibit and answer 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-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.

**Answer**

**There was no commission, discount, rebate or allowance offered on domestic sales, so this question is not applicable.**

- 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.

**Answer:**

**Please refer to Exhibit D-7.1/2 for the complete set of all documents of two 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.]*

**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

**Answer:**

Please refer to KMY's responses for detailed information.

## 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.

**Answer:**

**There is no such difference, so this question is not applicable.**

### 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).

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.

#### Answer:

There is no such difference, so this question is not 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.

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.

**Answer:**

**There is no such difference, so this question is not applicable.**

**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.

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 system<sup>1</sup>, 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:*

**Answer:**

**The interest rate used in calculating the credit cost was [LIMITED].**

**The credit period [LIMITED].**

---

<sup>1</sup> 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.

*[Information contained in the above answer 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. 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.

**Answer:**

**The transportation expenses were reported [LIMITED].**

*[Information contained in the above answer 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. 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.

**Answer:**

**This expense has been included in the Inland transportation Costs, so this question is not applicable.**

## 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**”.

**Answer:**

There is no such difference, so this question is not applicable.

## 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.

### Answer:

**There is no commission incurred on domestic market, so this question is not applicable.**

## 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.

### Answer:

**There is no such difference, so this question is not applicable.**

## 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*.

**Answer:**

**There is no such difference, so this question is not applicable.**

### **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.

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.

**Answer:**

**There is no duplication 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**”

<b>Column heading</b>	<b>Explanation</b>
Country	Name of the country that you exported like goods to over the assessment period.
Number of customers	The number of different customers that your business has sold like goods to in the third country over the assessment period.
Level of trade	The level of trade that you export like goods to in the third country.
Quantity	Indicate quantity, in units, exported to the third country over the assessment period.
Unit of quantity	Show unit of quantity e.g. kg
Value of sales	Show net sales value to all customers in third country over the assessment period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the country e.g. 60 days=60 etc
Shipment terms	Typical shipment terms to customers in the third country e.g. CIF, FOB, ex-factory, DDP etc.

**Answer:**

**Please refer to Exhibit F-1 for Third Country sales information.**

*[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.]*

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

**Answer:**

**Generally, [LIMITED]**

*[Information contained in the above answer 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 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**".

**Answer:**

Please refer to **Exhibit G-1.1.1** for Production Process, and **Exhibit G-1.1.2** for Production.

*[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.]*

	Previous completed financial year (please specify)	Most recent completed financial year (specify)	Assessment period: 1 April 2013 to 31 March 2014
A – Production capacity (e.g. kg, tonnes)*			
B – Actual production in volume (e.g. kg, tonnes)			
C – Capacity utilisation (%) (B/A x 100)			

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.

**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.

**Answer:**

**There are no special management accounting system maintained by KAE. All KAE's systems are part of its financial accounting system.**

**The cost accounting information is reconciled to the audited financial statements as follows:**

**[LIMITED]**

*[Information contained in the above answer 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.]*

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.

**Answer:**

**KAE does not apply standard cost, so this question is not applicable.**

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

**Answer:**

**KAE does not apply standard cost, so this question is not applicable.**

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

**Answer:**

**Please refer to Exhibit G-2.4 for the description of each cost centres.**

*[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. 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.

**Answer:**

**The costs and expenses are calculated [LIMITED].**

**The expenses or costs incurred among workshops are [LIMITED].**

**The expenses or costs are [LIMITED].**

**There is no allowance for capital expenditures or other development cost.**

*[Information contained in the above answer 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. Describe the level of product specificity (models, grades etc) that your business' cost accounting system records production costs.

**Answer:**

**KAE's cost accounting system records [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

**There is no such kind of difference.**

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.

**Answer:**

**KAE did not engage in start-up operations, so this question is not applicable.**

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.

**Answer:**

**KAE did not engage in start-up operations, so this question is 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.<sup>2</sup>*

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**".

	1 April 2013 – 30 June 2013	1 July 2013 – 30 September 2013	1 October 2013-31 December 2013	1 January 2014 – 31 March 2014
<b>Like domestic model/type (from spreadsheet 'Like Goods')</b>				
Product finish - use a separate column for each different finish - insert extra columns if required				
Material Costs				
Direct Labour				
Manufacturing Overheads				
Other Costs				
<b>Total Cost to Make</b>				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses				
Other Costs				
<b>Unit Cost to Make and Sell</b>				

<sup>2</sup> The Commission applies the tests set out in s.269TAA 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.

*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.*

**Answer:**

Please refer to **Exhibit G-3.2.1** for the Domestic CTMS.

**With regard to supporting worksheet, please refer to Exhibit G-3.2.2 for the Summarization of Cost of Manufacturing, and Exhibit G-3.2.3 for the Allocation of SG&A of KAE.**

*[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**".

	1 April 2013 – 30 June 2013	1 July 2013 – 30 September 2013	1 October 2013-31 December 2013	1 January 2014 – 31 March 2014
<b>Model/type exported to Australia (from spreadsheet 'Like Goods')</b>				
Product finish - use a separate column for each different finish - insert extra columns if required				

Material Costs				
Direct Labour				
Manufacturing Overheads				
Other Costs				
<b>Total Cost to Make</b>				
Selling Costs				
Administration Costs				
Financial Costs				
Delivery Expenses				

*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.*

**Answer:**

**Please refer to Exhibit G-4.1 for the Australia CTMS.**

**The cost of make and sell for domestic market and Australia are [LIMITED]. Please see Exhibit G-4.1.1 for the detailed allocation of KMY’s SGA.**

*[Information contained in the above Exhibit and answer 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.

**Answer:**

**The cost of manufacture for domestic and export market are the same.**

- 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.

**Answer:**

**There was no such difference.**

- 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.

**Answer:**

**In KAE's cost accounting system, [LIMITED].**

*[Information contained in the above answer 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-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.

**Answer:**

**The only major raw materials that account for [LIMITED] of the total production cost are [LIMITED]**

**The suppliers of [LIMITED] are as follows, [LIMITED].**

**The basis of valuing the major raw materials in the costs of production is the market price.**

*[Information contained in the above answer 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 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;

**Answer:**

**KAE has the obligation to file the financial statements to the taxation authorities so that the authorities could calculate and review the amount of taxes that should be levied on KAE.**

- b) payment of taxes;

**Answer:**

**KAE has the obligation to pay income tax, value added tax and all other taxes to the taxation authorities.**

- c) senior management representation within your business;

**Answer:**

**The senior management representation within KAE has no involvement with the GOC or Chinese Communist Party (CCP).**

- d) approval/negotiation of business decisions (e.g. investment decisions, management decisions, pricing decisions, production decisions, sales decisions);

**Answer:**

**KAE makes its own business decisions and there is no government department/office involved.**

e) licensing;

**Answer:**

**The only license that the KAE needs to obtain is Business license.**

f) restrictions on land use;

**Answer:**

**There's no special restriction on the land use of KAE.**

g) provision of loans; or provision of grants, awards or other funds.

**Answer:**

**KAE didn't receive preferential loans and didn't receive any benefit from the program listed in Section I.**

**2. Business structure, ownership and management**

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

**Answer:**

**No, KAE is not 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.

**Answer:**

**[LIMITED]**

**[LIMITED]**

**The lists of Board of Directors [LIMITED]**

*[Information contained in the above answer 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.]*

- 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.

**Answer:**

**No member is representative, employee or otherwise affiliated 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.

**Answer:**

**There's no representative from the CCP in KAE [LIMITED].**

*[Information contained in the above answer 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.]*

- 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.

**Answer:**

**No member of KAE [LIMITED] is appointed or recommended by the GOC.**

*[Information contained in the above answer 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.]*

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).

**Answer:**

**[LIMITED]**

*[Information contained in the above answer 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) Provide the details of any significant changes in the ownership structure of your business during the review period.

**Answer:**

**There's no significant change in the ownership structure of KAE during the review period.**

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

**Answer:**

**No management position is appointment 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.

**Answer:**

**To the best of KAE's knowledge there is no such requirements in law or in practice.**

- 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.

**Answer:**

**KAE is not a publicly-traded company, thus this question is not applicable.**

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

**Answer:**

**KAE is not a publicly-traded company, thus this question is not applicable.**

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

**Answer:**

**The Board of Directors has the right to reward, fire or discipline the 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.

**Answer:**

No, there is no manager from KAE holding positions in any GOC departments or organisations, associations or Chambers of Commerce.

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

**Answer:**

**KAE has no pricing committee.**

### **3. Licencing**

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

**Answer:**

**Please refer to Exhibit H-3.a) for the Chinese and English versions of the business license of KAE.**

*[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) Identify the GOC departments or offices responsible for issuing the licence(s).

**Answer:**

**The Administration for Industry and Commerce in Jiangmen is responsible for issuing Business Licences.**

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

**Answer:**

**In general, the procedure to apply for a license is to submit an application with materials set forth below:**

**A letter of application issued by the legal representative;**

**Certificate of a representative of shareholders or an agent jointly appointed by shareholders;**

**A copy of Articles of Association;**

**Certificate for place of operation;**



**Certificate of property;  
Identity of legal representative;  
Certificate of investment verification;  
Letter of appointment of the members of the Board and managers, their names, identity, residence, name of the company.**

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

**Answer:**

**There's no special requirement or condition that must be met in order to obtain the licence.**

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

**Answer:**

**The Business License indicates that a company is incorporated under the relevant laws and has duly obtained a “legal person” status. There are no restrictions imposed on activities that are specified and performed by a company.**

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

**Answer:**

**In case a company wishes to expand the scope of its business, the company simply notifies the Administration for Industry and Commerce located at the place where the company is registered. If a company expands the scope of its business without notifying the local administration for industry and commerce, the administration will stop it according to the law and confiscate the illegal income. If the behaviour of the company violates the criminal law, the company shall be investigated for criminal responsibility according to law.**

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

**Answer:**

As can be seen from the copy of the Business License submitted, KAE has the right to [LIMITED].

*[Information contained in the above answer 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.]*

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

**Answer:**

**If a company is involved in illegal activities, or goes bankrupt or it engages in fraudulent business practices or forges documents or alters the Business License or transfers, lends or rents the Business License, etc., the Business License can be revoked by the Administration for Industry and Commerce.**

**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

**Answer:**

**Decision making process is, [LIMITED].**

*[Information contained in the above answer 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) Provide a description of any GOC input into the decision-making process about your manufacture, marketing and sale of aluminium products.

**Answer:**

**There is no government involvement in the decision-making process respecting the manufacture, marketing and sale of aluminium extrusion 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.

**Answer:**

**No government department/office is involved, either directly or indirectly, in the manufacture, sale or purchase of aluminium extrusions 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.

**Answer:**

**KAE submits a general report with regard to the production and sales of its products to Bureau of Statistics in Jiangmen city on a quarterly basis. Moreover, KAE needs to submit the enterprise VAT return, enterprise income tax return and VAT refund return to relevant tax authorities.**

- 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.

**Answer:**

**KAE does not have copies of any Provincial/City Five Year Plans.**

- 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).

**Answer:**

**KAE has no Five Year Plans.**

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

**Answer:**

**KAE [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

**KAE [LIMITED].**

*[Information contained in the above answer 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.]*

## 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.

**Answer:**

**KAE is not aware of any such documents concerning the aluminium industry/sector.**

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;

**Answer:**

**KAE doesn't know if there is any industrial policy or guidance on the aluminium industry sector.**

- market entry criteria for the aluminium industry sector;

**Answer:**

**KAE is not aware of any such entry criteria for the aluminium industry sector.**

- environmental enforcement for the aluminium industry sector;

**Answer:**

**There are no special rules or guidelines for the aluminium industry sector. The Environment Protection Bureau is focused on broad regulation and enforcement of rules and requirements related to remedying a reversing environmental degradation particularly of air and water and conservation of energy and natural resources.**

**The local Environment Protection Bureau office and contact are:**

**Jiangmen Environment Protection Bureau**

**Contact person: Guo Wenhong**

**Tel: +86 750-5575919**

- management of land utilisation;

**Answer:**

**The mandate of the Land and Resources Bureau is universal in its region. It does not focus on the aluminium industry sector or insofar, as KAE is aware, any other manufacturing sector.**

**Jiangmen Land and Resources Bureau**

**Contact person: Liu Yuancheng**

**Tel: +86 750-5653225**

- the China Banking Regulatory Commission for the aluminium industry sector;

**Answer:**

**KAE does not deal with this authority and cannot provide requested information. KAE doesn't have knowledge if CBRC regulates any industrial sector, but certainly not the aluminium industry sector.**

- investigation and inspection of new aluminium expansion facilities;

**Answer:**

**KAE is not aware of such authority.**

- the section in the National Development and Reform Commission that is responsible for the aluminium industry sector; and

**Answer:**

**KAE has no dealing with such authority, and is not aware of any NDRC responsibility for the aluminium industry sector.**

- import licensing for aluminium and other aluminium raw materials.

**Answer:**

**KAE has no dealing with such authority.**

**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.

**Answer:**

**There were no aluminium investments made by KAE that needed approvals from GOC agencies, thus a) to f) under this question 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:

- 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?

**Answer:**

**There wasn't any directive or measure from the GOC that has been communicated to KAE.**

- b) Identify the Government department, association or company official that communicated these guidelines or any related measures to your business.

**Answer:**

**There wasn't any directive or measure from the GOC that has been communicated to KAE, thus this question is not applicable.**

- c) Identify the Government department, association or company and names of officials who are responsible for the administration of these guidelines.

**Answer:**

**There wasn't any directive or measure from the GOC that has been communicated to KAE, thus this question is not applicable.**

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

**Answer:**

**There wasn't any directives or measures from the GOC that has been communicated to KAE, thus this question is not applicable.**

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

**Answer:**

**There wasn't any directives or measures from the GOC that has been communicated to KAE, thus this question is not applicable.**

### **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**

- 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.

**Answer:**

**Aluminium extrusions products sold by KAE are not subject to export quotas.**

- 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.

**Answer:**

**Export quotas for aluminium extrusions didn't exist during the review period.**

- c) Identify the GOC agency which legislates and monitors any such quotas.

**Answer:**

**There are no export quotas for aluminium extrusions, thus this question is not applicable.**

- 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.

**Answer:**

**There are no such targets or limits set by GOC.**

- e) Are there any export licence requirements for aluminium extrusions? If so, provide details.

**Answer:**

**Export licences are not required for aluminium extrusion products.**

**2. Taxation**

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

**Answer:**

**No, there wasn't any export tax on the exports of aluminium extrusions during the review period.**

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

**Answer:**

**The value-added tax (VAT) rebate applicable to products under review was [LIMITED] during the review period.**

*[Information contained in the above answer 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.]*

- 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.

**Answer:**

**No change to the VAT rebate applicable to the products under review has occurred in the last 5 years.**

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

**Answer:**

**KAE is not aware of any such tax changes being planned.**

**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.

**Answer:**

**[LIMITED].**

*[Information contained in the above answer 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) 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.

**Answer:**

**Prices of aluminium extrusions are determined based on [LIMITED].**

*[Information contained in the above answer 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.]*

- 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.

**Answer:**

**There is no such co-ordination between KAE and other domestic producers, any GOC departments, or the China Iron and Aluminium Association. Such collusion would be subject to penalties and punishment under the competition laws.**

- 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.

**Answer:**

**KAE never submits any aluminium extrusions price information/data to GOC, other government officials or commercial/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.

**Answer:**

**KAE never submits any aluminium extrusions price data to any other person at the provincial, regional or special economic zone level of government.**

**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.

**Answer:**

**No, KAE is not a member of any industry association.**

- 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.

**Answer:**

**KAE is not a member of any industry association, thus this question is not applicable.**

**6. Statistics submission/recording**

- a) Indicate if your business makes submissions<sup>3</sup> 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.

**Answer:**

**KAE reports quarterly financial data to the local Bureau of Statistics in accordance with requirements of statistics law and regulations. The purpose is to elicit national wide economic development pictures.**

- 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.

**Answer:**

**Please refer to Exhibit H-3.6.b) for the sample submitted to the local bureau of statistics.**

*[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.]*

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

**Answer:**

**No, the bureau of statistics doesn't approve or assess KAE's submission.**

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

**Answer:**

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<sup>3</sup>For example, monthly data relating to sales, production and costs.

**There's no feedback on KAE's submission.**

**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?

**Answer:**

**KAE [LIMITED]. The prices reflect the fluctuation of market situation.**

*[Information contained in the above answer 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) Is there a price difference between purchase price of raw materials from SOEs and non-SOEs? Provide explanation.

***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.***

**Answer:**

**KAE did not purchase aluminium ingots or primary aluminium from SOEs during the review period, thus this question is not applicable..**

- 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)?

**Answer:**

**KAE [LIMITED].**

*[Information contained in the above answer 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) 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?

**Answer:**

**No, KAE doesn't benefit from 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.

**Answer:**

**KAE has no such production facilities in other regions.**

**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.

**Answer:**

**KAE is not aware of any such guidance.**

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

**Answer:**

**There are no such policies or guidelines.**

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

**Answer:**

**This question is 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.

**Answer:**

**KAE is not aware of such restrictions.**

**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.

**Answer:**

**KAE has not been subjected to such guidance or controls.**

- 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.).

**Answer:**

**KAE has not been subjected to such guidance or controls.**

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

**Answer:**

**KAE has not been subjected to such guidance or controls.**

**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.

**Answer:**

**There is no government approval process for adding capacity and/or entering into joint ventures in relation to KAE's business. Just like KAE, many participants of the aluminium industry are privately owned FIEs. The aluminium industry is characterized by constant innovation and productivity enhancement, thus it is a model of pure competition. The company itself can independently make decisions for matters addressed in this question.**

- 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.

**Answer:**

**No, the government doesn't have such right. Just like KAE, many participants of the aluminium industry are privately owned FIEs. The industry is characterized by constant innovation and productivity enhancement. It is a model of pure competition. These matters are commercial decisions, which are independently decided by the company itself.**

## **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**

In the original investigation (REP148) conducted by the Australian Customs and Border Protection Service (Customs and Border Protection), 43 subsidy programs were investigated. Of those, Customs and Border Protection found that aluminium extrusions exported from China to Australia received financial contributions in respect of the goods that conferred a benefit under 19 subsidy programs. These were (according to their numbering from the original investigation):

- **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
- **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

- **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.

### **General comments:**

**1. For additional programs alleged in this section, KAE considers that, First, according to Article 13.1, the investigation authority shall hold a consultation with the GOC, clarifying the situation and trying to arrive at a mutual agreed solution. The panel in China – GOES (US) states that “Article 13.1 of the SCM Agreement also suggests that an investigating authority is required to weigh the evidence submitted prior to initiation by an exporting Member, as a part of the process of "clarifying the situation" as to the matters in Article 11.2 of the SCM Agreement.”<sup>4</sup> However, the investigation authority didn’t hold a consultation with the GOC before adding these new alleged programs into consideration, neither gave the GOC a chance to submit evidence concerning these programs, which is inconsistent with the requirement of Article 13.1 of the ASCM.**

**Second, Article 11.2 of the ASCM requires that the application for initiating an anti-subsidy investigation shall include sufficient evidence of the existence of a subsidy. Simple assertion, unsubstantiated by relevant evidence cannot be considered sufficient to meet the requirement. The panel of China – GOES (US) finds that an initiation is not justified by the principle of evidences “reasonably available” to the complainant under Article 11.2 of ASCM if there is no evidence at all, and the complainant should not be exempted from the burden of proof. The panel states:**

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<sup>4</sup> Panel Report, *China – Grain Oriented Flat-Rolled Electrical Steel*, footnote, 74.

*“In the Panel's view, the fact that an applicant must provide such information as is "reasonably available" to it confirms that the quantity and quality of the evidence required at the stage of initiating an investigation is not of the same standard as that required for a preliminary or final determination. However, an investigation cannot be justified where, for example, there is no evidence of the existence of a subsidy before an investigating authority, even if such evidence is not "reasonably available" to the applicant. Indeed, to justify initiation under Article 11.3, an investigating authority must have "sufficient evidence" (whether from the applicant, exporting Member or arising out its own enquiries) and not mere assertion before it.”*<sup>5</sup>

**In addition, the Appellate Body clarifies that the determination of other investigations “will normally not suffice as a reasoned and adequate explanation”.<sup>6</sup> It is insufficient for the complaint to simply refer to the conclusions of other similar investigations as evidence, because every single investigation is different from the others in terms of facts.**

**However, for the newly-alleged programs, the submission made by the Australian applicant only refers to findings of the US cases without sufficient evidence to prove the existence of the subsidies, which is inconsistent with findings of the panel and the Appellate Body, and the requirements of Article 11.2 of ASCM.**

**Third, Article 11.3 of the ASCM requires that the investigation authority shall review the accuracy and adequacy of the evidence in the submission, to determine whether the evidence is sufficient to justify the initiation of an investigation. The scope of the review shall include the evidence for the existence, amount and nature of a subsidy alleged to have benefited the enterprises under investigation.**

**Article 269TCZ(2)(c)(i) of the Customs Act 1901 of Australia also requires that, the commissioner shall examine the application to find if there are reasonable grounds to initiate an anti-subsidy investigation. However, although there’s no sufficient evidence contained in the submission or there’s no reasonable grounds, the investigation authority still add these newly-alleged subsidy program into the scope of the investigation.**

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<sup>5</sup> Panel Report, *China – Grain Oriented Flat-Rolled Electrical Steel*, para. 7.56.

<sup>6</sup> AB Report, *US-Anti-Dumping and Countervailing Duties*, para. 353-355

**In light of the above, KAE considers that it is the obligation of the Investigation authority to carefully review each subsidy alleged, to see (1) whether there is present subsidy which is a financial contribution by the government, and confers benefit during the investigation period, and specific; (2) whether the alleged subsidized imports cause injury to the Australian industry.**

**Therefore, KAE believes that the investigation authority has violated Article 11.3 of the ASCM and Article 269TCZ(2)(c)(i) of the Customs Act 1901 of Australia.**

**2. [LIMITED].**

*[Information contained in the above comments 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.]*



**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 benefit<sup>7</sup> under the following preferential income tax programs during the review period (1 April 2013 to 31 March 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

**Answer:**

**KAE did not receive any benefits under the Programs listed above except Program 48 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.

**Answer:**

**Yes, the general tax rate for enterprises in China during the review period was 25%.**

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<sup>7</sup> Refer to the Glossary of Terms for a definition of benefit in this context.

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.

***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.***

**Answer:**

**The corporate income tax acknowledgement forms and the income tax returns for the year 2011, 2012 and 2013 are attached as Exhibit I-1.3, along with the English translations.**

*[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. 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.

**Answer:**

**The income tax rate applied to KAE was 15% during the review period, which was a reduced rate, but not under any of the preferential income tax programs listed in this part.**

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.

**Answer:**

**The income tax rate reduction was provided on account of the qualification as a high and new technology enterprise according to Article 28 of the Law of the People's Republic of China on Enterprise Income Tax. Article 28 provides that "With respect to a high and new technology enterprise that needs key support by the State, the tax levied on its income shall be reduced at a rate of 15 per cent."**

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

**A. Voluntarily reported Program: Income tax rate reduction provided to high and new technology enterprises**

**General Comments:**

KAE did receive a reduced income tax rate of 15% during the review period. Although this tax reduction program looks most similar with Program 47 which was newly alleged by Capral in the submission after the initiation of the current review, the benefit received by KAE under this program is irrelevant with Program 47.

As mentioned above, the legal basis for KAE's reduced income tax rate is Article 28 of the Law of the People's Republic of China on Enterprise Income Tax enforced in January 1, 2008. Article 28 provides that

*"With respect to a high and new technology enterprise that needs key support by the State, the tax levied on its income shall be reduced at a rate of 15 per cent."*

According to Capral's submission, its allegation of Program 47 was based on the Aluminium Extrusions (US) at VII.F, which provided the following:

*"According 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" at Article 2 and 4 of Appendix III, "Regulations on the Tax Policy for the National New and High Technology Industries Parks", FIEs designated as HNTEs in high and new technology parks pay a reduced income tax rate of 15 percent."*

First, the legal basis of two programs is different. The instruments for Program 47 are "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" (see Exhibit I-1.A.General.a) and "Regulations on the Tax Policy for the National New and High Technology Industries Parks" (see Exhibit I-1.A.General.b), both of which were effect in March 1991, which were long before the Law of the People's Republic of China on Enterprise Income Tax entered into force in 2008.

Second, the beneficiaries are different. Program 47 is for HNTEs which are located in specific area, i.e. National Development Zones for New and High Technology Industries listed in the above Circular of the State Council. However, any enterprises which are recognized as HNTEs could enjoy the benefits under Article 28 of the Law of the People's Republic of China on Enterprise Income Tax, regardless where they are located.

Therefore, KAE contents that it did not benefit from Program 47 during the review period. Nevertheless, KAE fully replies to the questions below in order to let the investigation authority have a clear understanding of the program from which KAE was benefited during the review period, and why it is different from Program 47. This, however, should not in any event be considered that KAE agrees with Capral's allegation or the program voluntarily reported is actionable, or the authority could legally impose countervailing duty on KAE in terms of the voluntarily reported program.

6. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.

**Answer:**

**The operation mode of this program is as follows,**

**KAE prepays the income tax quarterly based on the tax rate of 15%. Final settlement of the income tax will be finished by the taxation authority within 4 months from the end of the previous tax year.**

**For the detail information of the amount of the benefit received by KAE during the review period, please refer to Exhibit I-1.A.6.**

*[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.]*

7. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products).

**Answer:**

**There was no specific good that benefited from the program. The program benefited all production of the company.**

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

**Answer:**

**Once the enterprise is recognized as a high and new technology enterprise, it can obtain a preferential income tax rate automatically. The application and approval procedures for the recognition of high and new technology enterprises are as follows:**

- a) The enterprise makes an application,**
- b) The enterprise submits materials that related to the application,**
- c) The related authority examines and verifies the materials submitted by the enterprise,**
- d) The authority makes an acknowledgement and determination. Once approved, the enterprise will receive a certificate of high and new technology enterprise from the authority.**

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.

**Answer:**

**KAE keeps the record form of the enterprise income tax reduction for this program, which could be seen in Exhibit I-1.A.9.**

*[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.]*

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

**Answer:**

**There's no fee charged or expense incurred 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.

**Answer:**

**The enterprises that need key support from the State shall have core independent intellectual property rights and meet the following requirements:**

- a) **Their products (services) are included in the scope as provided in the Hi-tech Fields with Key State Support;**
  - b) **The total expenses for research and development shall account for a certain proportion of the total sales income;**
  - c) **The income from high and new technology products shall account for certain proportion of the total sales income;**
  - d) **The personnel engaged in research and development shall account for a certain proportion of the total staff;**
  - e) **Other requirements set by the *Administrative Measures for Certification of New and High Technology Enterprises (Guo Ke Fa Huo[2008] No.172)***
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.

**Answer:**

**The above criteria are not applicable.**

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.

**Answer:**

**The benefit was not provided in relation to any specific activity or project of KAE.**

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.

**Answer:**

**KAE keeps the record form of the enterprise income tax reduction for this program, which could be seen in Exhibit I-1.A.9.**

*[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.]*

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

**Answer:**

**Because the company paid the income tax based on a reduced rate directly, thus benefits under this program cannot be found in the accounting system or financial statements.**

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

**Answer:**

**The program is still in force.**

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.

**Answer:**

The program is still in force, thus this question is not applicable.

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.

**Answer:**

Please refer to **Exhibit I-1.A.18** for the information provided in spreadsheet named "**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.]*

**B: Program 48: Provincial government of Guangdong tax offset for R&D**

**General Comments:**

**KAE believes that the description of this program in Capral's submission is wrong. In fact, it is a program that is not limited to Guangdong Province and is automatic in nature without limitation to any certain enterprises.**

**The benefit of tax offset for R&D that KAE enjoyed during the review period was based on Article 30 of the new Enterprise Income Tax law of PRC, which provides that:**

*"Additional deduction may be made for the following expenses when the amount of taxable income of an enterprise is calculated: (1) expenses on research and development incurred for developing new technologies, products or techniques..."*

**In addition Article 95 of the Regulations on the Implementation of Enterprise Income Tax Law of the People's Republic of China by the State Council (Order of the State Council [2007] No. 512) further explains that:**

*"Additional deduction of R&D expenditures mentioned in Item 1 of Article 30 of Enterprise Income Tax Law means that the R&D expenditures incurred for the purpose to develop new technologies, new products and new crafts do not form intangible assets and accounted into current term profit and loss, such expenditures shall be subject to 50% more additional deduction after being deducted in full amount in light of actual situation; where the above-mentioned R&D expenditures form intangible assets, they are subject to amortization based on 150% of intangible asset costs.*



In light of the above, this program is generally available to all companies throughout China which incur research and development expense. In fact, any enterprises that develop new technologies, new products and new crafts would be benefited from this program without any limitation, no matter where they are located. The eligibility criteria or conditions for this program are automatic, which are clearly spelled out in the above mentioned law and regulation.

Therefore, this program has no specificity according to Article 2.1 of the ASCM

This conclusion was also supported by the Canadian authority, i.e. CBSA, who determined that this program was non-actionable subsidy in the investigation concerning certain unitized wall modules from China because it is not specific.

*“The CBSA examined the legislation and regulations provided and agree that the tax offset for research and development expenses is not specific.”<sup>8</sup>*

Besides, the specificity alleged in Capral’s submission is also unfounded. Capral in the submission states that:

*“The GOC and the PGOG have targeted the aluminium extrusion industry for development and assistance to encourage and support the growth and development of the aluminium extrusions industry.”*

Obviously, from the plain wording of the above cited law and regulation, this program has nothing to do with particular products, for example, aluminium extrusion. It is generally available to all companies regardless which industry they belong to or what products they are producing.

Nevertheless, KAE fully replies to the questions below in order to let the investigation authority have a clear understanding of the program from which KAE was benefited during the review period, and why it is different from Program 48. This, however, should not in any event be considered that KAE agrees with Capral’s allegation or the program reported is actionable, or the authority could legally impose countervailing duty on KAE in terms of the voluntarily reported program.

6. Provide complete details of the amount of the benefit received, including whether it was received in total or in instalments.

**Answer:**

KAE enjoys the tax offset once a tax year. The amount of tax offset in 2013 was [LIMITED], which is reported in Annual Tax Return Forms for enterprise income tax as attached Exhibit I-1.3.

Since the review period covers only nine months of year 2013, the benefit received by KAE during the review period is calculated as follows:

[LIMITED].

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<sup>8</sup> STATEMENT OF REASONS, Concerning the making of final determinations with respect to the dumping and subsidizing of CERTAIN UNITIZED WALL MODULES ORIGINATING IN OR EXPORTED FROM THE PEOPLE'S REPUBLIC OF CHINA, Subsidy case number: CV/135, page 74, available at: <http://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1399/ad1399-i13-fd-eng.html>

*[Information contained in the above Exhibit and answer 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.]*

7. Indicate which goods you produced that benefited from the program (e.g. the program may have benefited all production or only certain products).

**Answer:**

**There was no specific good that benefited from the program. The program benefited all production of the company.**

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

**Answer:**

**The application and approval procedures are as follows,**

- (a) The company submit an application form along with relevant materials,**
- (b) The tax authority examines the materials submitted by the company,**
- (c) The tax authority grants the tax offset to the company.**

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.

**Answer:**

**KAE keeps the record form of the enterprise income tax reduction for this program, which could be seen in Exhibit I-1.B.9.**

*[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.]*

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

**Answer:**

**There's no fee charged or expense incurred 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.

**Answer:**

**This program requires that there are R&D expenditures incurred in the company for the purpose to develop new technologies, new products and new crafts.**

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.

**Answer:**

**The eligibility for the program is not conditioned on either of the above criteria.**

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.

**Answer:**

**The benefit was provided in relation to the Research & Development activities of KAE.**

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.

**Answer:**

**KAE keeps the record form of the enterprise income tax reduction for this program. Please see Exhibit I-1.B.9 attached.**

*[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.]*

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

**Answer:**

**Because the offset occurs once the income tax is paid, benefits under this program cannot be found in the accounting system or financial statements**

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

**Answer:**

**The program is still in force.**

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.

**Answer:**

**The program is still in force, thus this question is not applicable.**

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.

**Answer:**

**Please refer to Exhibit I-1.A.18 for the information provided in spreadsheet named "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.]*

**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

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 March 2014**?

Answer:

KAE did not receive benefits under the programs above-mentioned during the period 1 January 2011 to 31 March 2014.

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

**Answer:**

KAE considers that pursuant to Article 11.1 and 11.2, among others, of the ASCM, for a subsidy program to be legally investigated, the complainant shall include sufficient evidence regarding the existence, amount and nature of a subsidy in the written application. This is, however, not the case concerning Capral's submission dated 19 June 2014.

Nevertheless, in order to let the investigation authority have a clear understanding of other grants from which KAE were benefited during the period 1 January 2011 to 31 March 2014, and why they are different from the programs alleged by Capral, a list of benefits received under these grants in the said period is attached as Exhibit I-2.2.

This, however, should not in any event be considered that KAE agrees these other grants listed are actionable, or the authority could legally impose countervailing duty on KAE in terms of other grants voluntarily reported.

*[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.]*

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

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

**Answer:**

**All these grants were received in a lump sum.**

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).

**Answer:**

**There was no specific good that benefited from the program. The program benefited all production of the company.**

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

**Answer:**

**KAE received these grants through a simple written application and approval procedure, and there was even no need for application for some grants if the amount is too small.**

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.

**Answer:**

**The applications, if any, were submitted to the relevant government authorities and KAE did not maintain the copies of these applications.**

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

**Answer:**

**No fees are charged and no expenses were incurred.**

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

**Answer:**

**Most of the grants were related to the research and development, environmental protection and energy saving.**

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.

**Answer:**

**The eligibility for the grants was not conditioned on either of the above criteria.**

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.

**Answer:**

**Most of the grants were related to the research and development, environmental protection and energy saving.**

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.

**Answer:**

**There is no such record.**

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

**Answer:**

**All these benefits were accounted as [LIMITED].**

*[Information contained in the above answer 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.]*

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

**Answer:**

**As far as KAE knows, all these grants are one-time payment without further operation.**

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.

**Answer:**

**KAE has no knowledge of the details of each grant. The last date to receive the benefit is the "Date of receiving the grant" in Exhibit I-2.2.**

*[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.]*

15. Identify the body responsible for administering the grant.



**Answer:**

Please see **Exhibit I-2.2.**

*[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.]*

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.

**Answer:**

Please see **Exhibit I-2.2.** All grants were accounted as subsidy income on KAE's financial statements.

*[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.]*

## **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 April 2005 to 31 March 2014**, please answer the following questions.

1. Provide complete details involving the exemption of tariff and import VAT received, for any imported technologies and equipment.

**Answer:**

**The program applies to certain foreign investment projects and may result in the exemption of the qualifying enterprises from paying import tariff and VAT on the purchase of imported equipment for self-use as long as the equipment does not fall in the categories listed in the Catalogue on Non-duty-exemptible Article of Importation for Foreign Investment Project and the Catalogue on Non-duty-exemptible Article of Importation for Domestic Investment Project.**

**In addition, with effect from 1 January 2009, only tariff is exempted and VAT on importation of self-use equipment is collected.**

**Regarding the exemption of import duty and VAT for imported materials, it is for inward-process and re-export goods, which is in line with the international practice, and such exemption should not be regarded as subsidy. Therefore, KAE believes that the VAT and tariff exemption for imported inputs is not relevant to the current subsidy investigation.**

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.

**Answer:**

**Please refer to Exhibit I-3.2 for the complete details involving the amount of the VAT refund received provided in the spreadsheet named "VAT and Tariff".**

*[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.]*

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

**Answer:**

**First, KAE need to report to the Bureau of Foreign Economic & Trade of Jiangmen City about their investment project.**

**Second, the Bureau of Foreign Economic & Trade of Jiangmen City needs to confirm whether the investment project is in line with the requirements/criteria or not. For the projects that qualify, the Bureau will issue the Confirmation Letter on Domestic or Foreign Funded Projects Encouraged to be Developed by the State (Hereinafter refer as the Confirmation Letter).**

**Third, KAE receive the Confirmation Letter and then put it on the record of the local Customs.**

**Forth, the local Customs authority verify the import declaration/s concerning the imported equipment to ascertain whether it falls under the *Catalogue on Non-duty-exemptible Article of Importation for Foreign Investment Project and the Catalogue on Non-duty-exemptible Article of Importation for Domestic Investment Project* or not. For the qualifying imported equipment, Customs authorities exempt the duty; for the imported equipment that does not qualify the criteria, the Customs authority levies the duty according to the applicable customs regulation.**

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.

**Answer:**

**Please refer to Exhibit I-3.4 for the application forms for imported equipment. These forms are actually the Confirmation Letters, which shall be used to apply for the tariff and VAT exemption of the imported equipment. There was no contractual agreement between KAE and the GOC on this program.**

*[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. Outline the fees charged to, or expenses incurred by your business for purposes of receiving these programs.

**Answer:**

**No fees charged to receive benefits from this program.**

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

**Answer:**

The eligibility to this programme is based on domestic investment project and foreign investment project and the type of equipment imported, but not the enterprise. The following criteria have to be met -

- (a) The investment project should be line with the policy of encouraging foreign investment projects and domestic investment projects, or foreign government loans and international financial organization loan projects.
- (b) The equipment imported does not fall/ is not classifiable in the categories listed in the Catalogue on Non-duty-exemptible Article of Importation for Foreign Investment Project and the Catalogue on Non-duty-exemptible Articles of Importation for Domestic Investment Projects.
- (c) The imported equipment is for self-use.
- (d) In the context of a foreign investment project, the technology should be transferred.
- (e) The non-evaluated imported equipment is provided by the processing trade, which is used for the processing trade.

With effect from 1 January 2009, only tariff is exempted and VAT on importation of self-use equipment is collected.

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.

**Answer:**

The above criteria are not applicable.

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

**Answer:**

The benefit was not provided in relation to any specific activity or project of KAE.

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.

**Answer:**

**KAE keeps Tax Exemption Certification for Imported and Exported Goods, Customs Declaration Form and Invoice. A sample of the documents has been provided as Exhibit I-3.9.**

*[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.]*

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

**Answer:**

**The costs of such purchases are booked in the accounting system while there's no specific record for the exemption.**

11. To your knowledge, do these programs still operate or have they been terminated?

**Answer:**

**The program is still in force.**

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?

**Answer:**

**The program is still in force, thus this question is not applicable.**

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.

**Answer:**

**The program is still in force, thus this question is not applicable.**

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

**Answer:**

**The exemption of import duty and VAT for imported materials is for inward-process and re-exports goods, which is in line with the international practice, and such exemption should not be regarded as subsidy. Therefore, KAE believes that the VAT and tariff exemption for imported inputs is not relevant to the current subsidy investigation.**

**Please refer to Exhibit I-3.2 for detailed information.**

*[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.]*

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).

**Answer:**

**The exemption of import duty and VAT for imported materials is for inward-process and re-exports goods, which is in line with the international practice, and such exemption should not be regarded as subsidy. Therefore, KAE believes that the VAT and tariff exemption for imported inputs is not relevant to the current subsidy investigation.**

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.

**Answer:**

**The exemption of import duty and VAT for imported materials is for inward-process and re-exports goods, which is in line with the international practice, and such exemption should not be regarded as subsidy. Therefore, KAE believes that the VAT and tariff exemption for imported inputs is not relevant to the current subsidy investigation.**

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.

**Answer:**

**The exemption of import duty and VAT for imported materials is for inward-process and re-exports goods, which is in line with the international practice, and such exemption should not be regarded as subsidy. Therefore, KAE believes that the VAT and tariff exemption for imported inputs is not relevant to the current subsidy investigation.**

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.

**Answer:**

**The exemption of import duty and VAT for imported materials is for inward-process and re-exports goods, which is in line with the international practice, and such exemption should not be regarded as subsidy. Therefore, KAE believes that the VAT and tariff exemption for imported inputs is not relevant to the current subsidy investigation.**

## **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 April 2013 to 31 March 2014?

**Answer:**

**No, KAE did not receive any benefit under this program during the review period.**

2. Does your business purchase primary aluminium from SOEs?

**Answer:**

**KAE [LIMITED].**

*[Information contained in the above answer 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.]*

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.

**Answer:**

**The detailed information of suppliers of primary aluminium is provided as Exhibit I-4.3.**

*[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. 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.

**Answer:**

Please refer to **Exhibit I-4.4** for the purchase price of aluminium provided in the spreadsheet named "**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.]*

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.

**Answer:**

**KAE did not receive any reduction/reduced prices for the purchase of goods/services during the review period.**

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.

**Answer:**

**KAE has no contractual agreements with state-owned enterprises for any assistance/benefits related to the purchase of the goods/services.**

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.

**Answer:**

**During the review period, KAE import [LIMITED] for the production of the subject goods. The information required has been provided as Exhibit I-4.4.**

**KAE imports primary aluminium for the production, price is an important factor to be considered.**

*[Information contained in the above Exhibit and answer 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.]*

## 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.

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.

**Answer:**

**KAE [LIMITED].**

*[Information contained in the above answer 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.]*

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.

**Answer:**

**No loans of KAE were provided at less than market rate.**

3. Please describe the qualification and approval process that your company had to undertake to qualify for these loans.

**Answer:**

**As mentioned above, KAE wasn't provided with preferential loans. KAE applies for loans in normal procedure, which are as follows, [LIMITED]**

*[Information contained in the above answer 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. What eligibility criteria did you company have to meet in order to qualify for this lending program?

**Answer:**

**There are no specific eligibility criteria KAE has to meet in order to qualify for receiving the loans.**

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?

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

**Answer:**

**No, there's no limitation of the eligibility for KAE to apply for a loan.**

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.

**Answer:**

**In fact, KAE did not obtain loans from any bank during the review period. Thus, a sample loan contract before the review period is provided in Exhibit I-6.6.**

*[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.]*

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.

**Answer:**

**KAE didn't receive any benefit under this lending program, thus this question is not applicable.**

**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 benefit under the following programs during the review period (1 April 2013 to 31 March 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

**Answer:**

**KAE didn't receive any benefit under the above programs during the review period. In addition, KAE did not purchase heavy oil during the review period.**

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

**Answer:**

**[LIMITED]**

*[Information contained in the above answer 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.]*

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.

**Answer:**

**KAE paid the land bureau for the transfer fees of the land use rights.**

**KAE didn't purchase heavy oil during the review period.**

**Please refer to Exhibit I-7.3 for the list of KAE's suppliers of electricity, water and natural gas.**

*[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.

**Answer:**

**There are no fees and charges associated with these programs. KAE pays the market price to those suppliers**

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

**Answer:**

**Please refer to Exhibit I-7.5 (a) for the schedule showing the average purchase price of electricity and water, Exhibit I-7.5 (b) for the schedule showing the average purchase price of natural gas and Exhibit I-7.5 (c) for the schedule showing the land information.**

*[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. 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.

**Answer:**

**No, KAE didn't receive any discount to normally available price.**

## 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 benefit<sup>9</sup> 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.

### Answer:

**KAE considers that pursuant to Article 11.1 and 11.2, among others, of the ASCM, for a subsidy program to be legally investigated, the complainant shall include sufficient evidence regarding the existence, amount and nature of a subsidy in the written application. This is, however, not the case concerning Capral's submission dated 19 June 2014.**

**Nevertheless, in order to let the investigation authority have a clear understanding of other grants from which KAE were benefited during the period 1 January 2011 to 31 March 2014, and why they are different from the programs alleged by Capral, a list of benefits received under these grants in the said period is attached as Exhibit I-2.2. Besides, please see answers in Part I-2 for detailed information.**

**This, however, should not in any event be considered that KAE agrees these other grants listed are actionable, or the authority could legally impose countervailing duty on KAE in terms of other grants voluntarily reported.**

*[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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<sup>9</sup> Refer to the Glossary of Terms for a definition of benefit in this context.





## SECTION J – EXPORTER/PRODUCER’S DECLARATION

I hereby declare that **TAISHAN CITY KAM KIU ALUMINIUM EXTRUSION CO., LTD.(KAE)** 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.

Signature:

雷礼友



Position in Company:

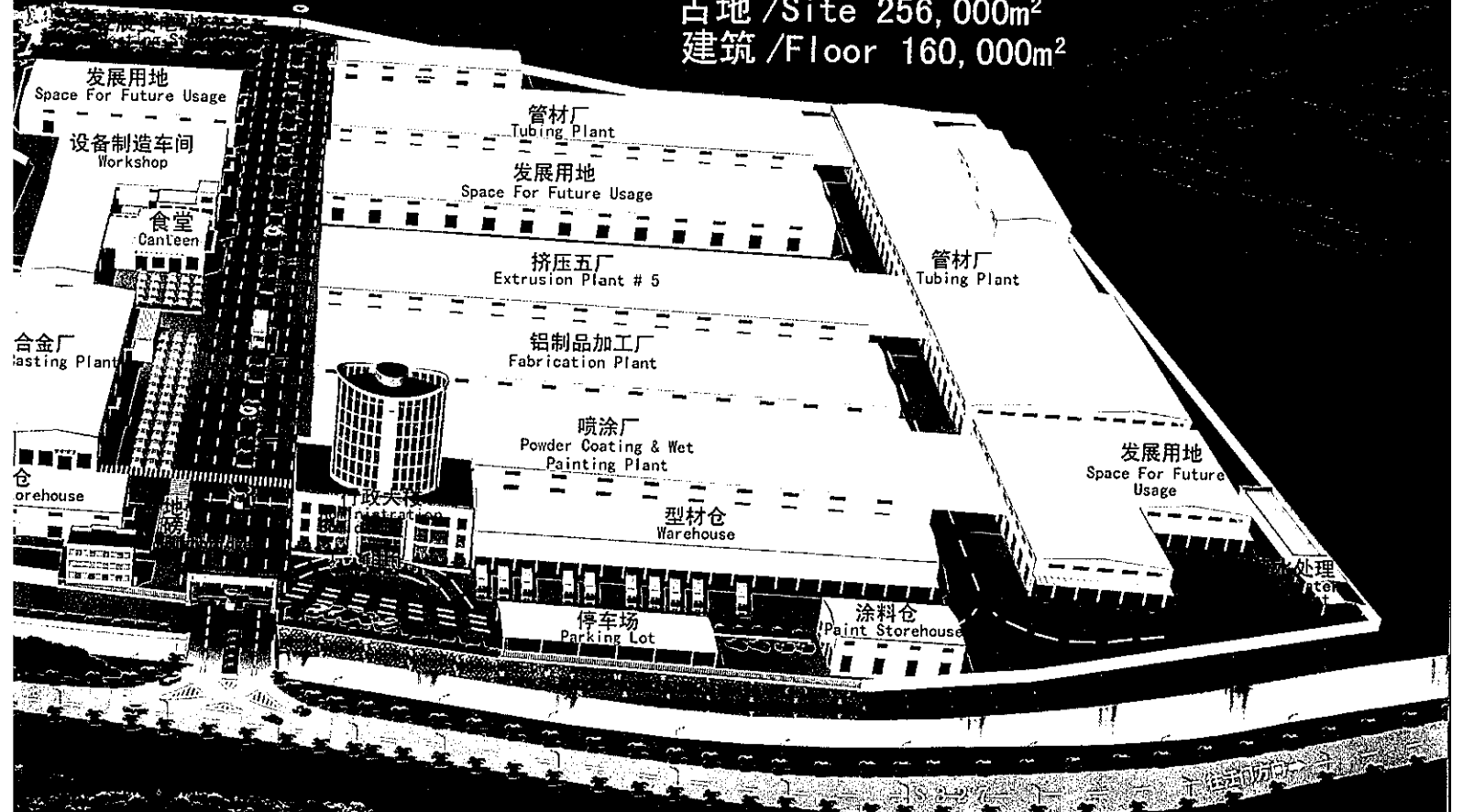
CEO

Date: August 15, 2014

**Exhibit List**

<b>SN</b>	<b>Exhibit No.</b>	<b>Exhibit</b>
1	Exhibit A-3.11	Product brochure
2	Exhibit A-6	Sales
3	Exhibit I-1.A.General.a)	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
4	Exhibit I-1.A.General.b)	Provisions on the Tax Policy for the National Development Zones for New and High Technology Industries

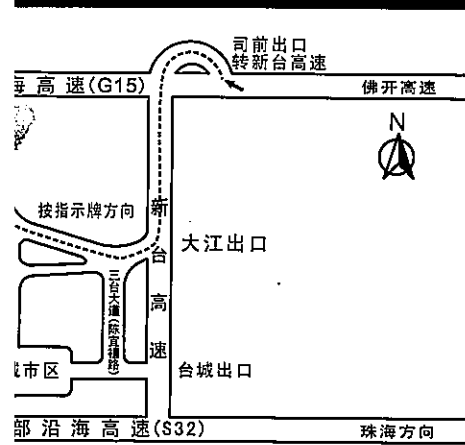
占地 / Site 256,000m<sup>2</sup>  
 建筑 / Floor 160,000m<sup>2</sup>



方米 / 389,000m<sup>2</sup>  
 方米 / 261,000m<sup>2</sup>

# 目錄

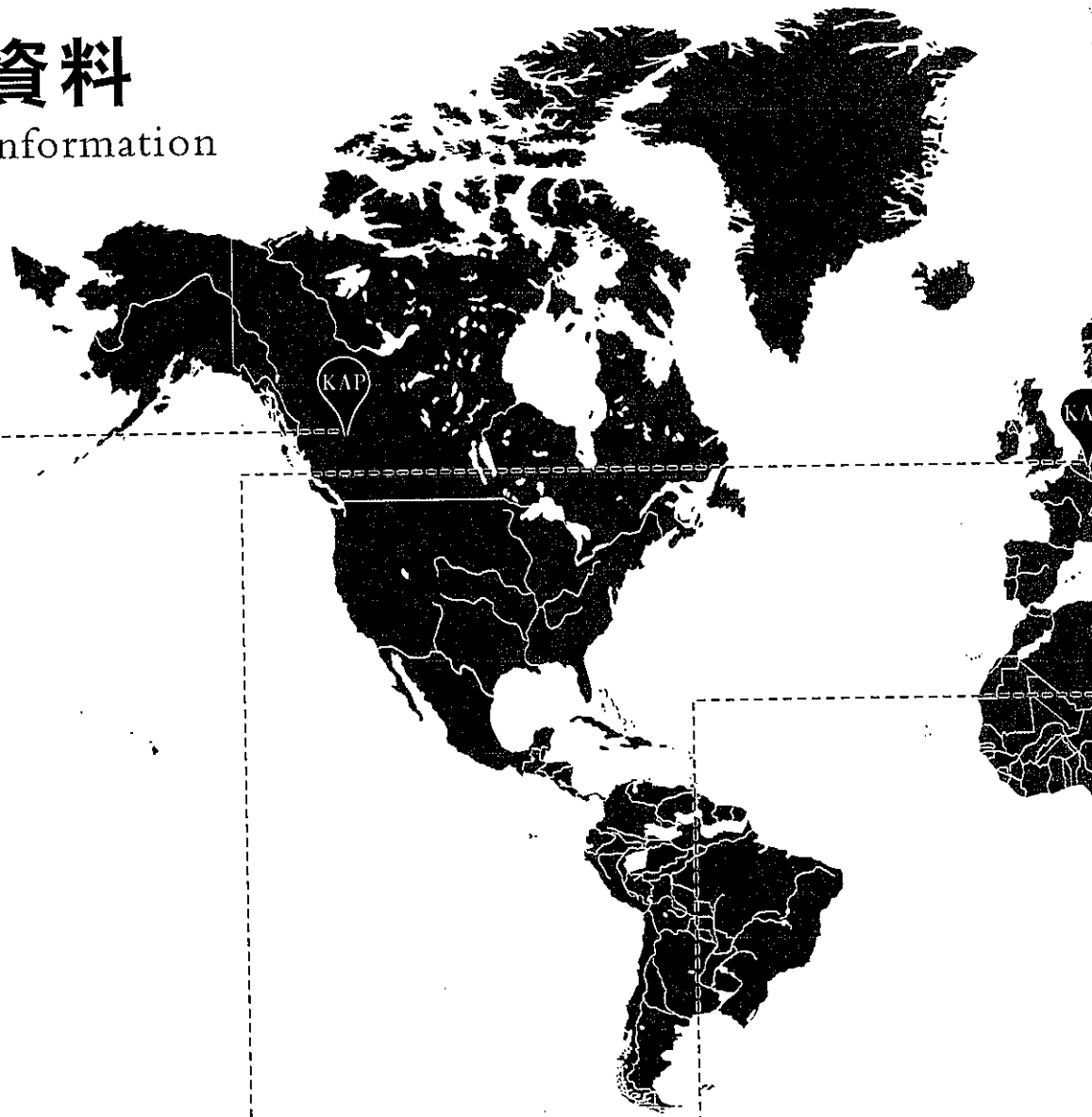
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# 企業資料

## Corporate Information



### 北美地區(North America)

Kam Kiu Aluminium Products (Canada) Ltd.  
213-2571 Shaughnessy Street, Port Coquitlam  
BC Canada V3C 3G3  
Tel No: +1 (604) 945 3336  
Fax No: +1 (604) 945 9991  
E-mail: info@kamkiu.com

### 歐洲地區(Europe)

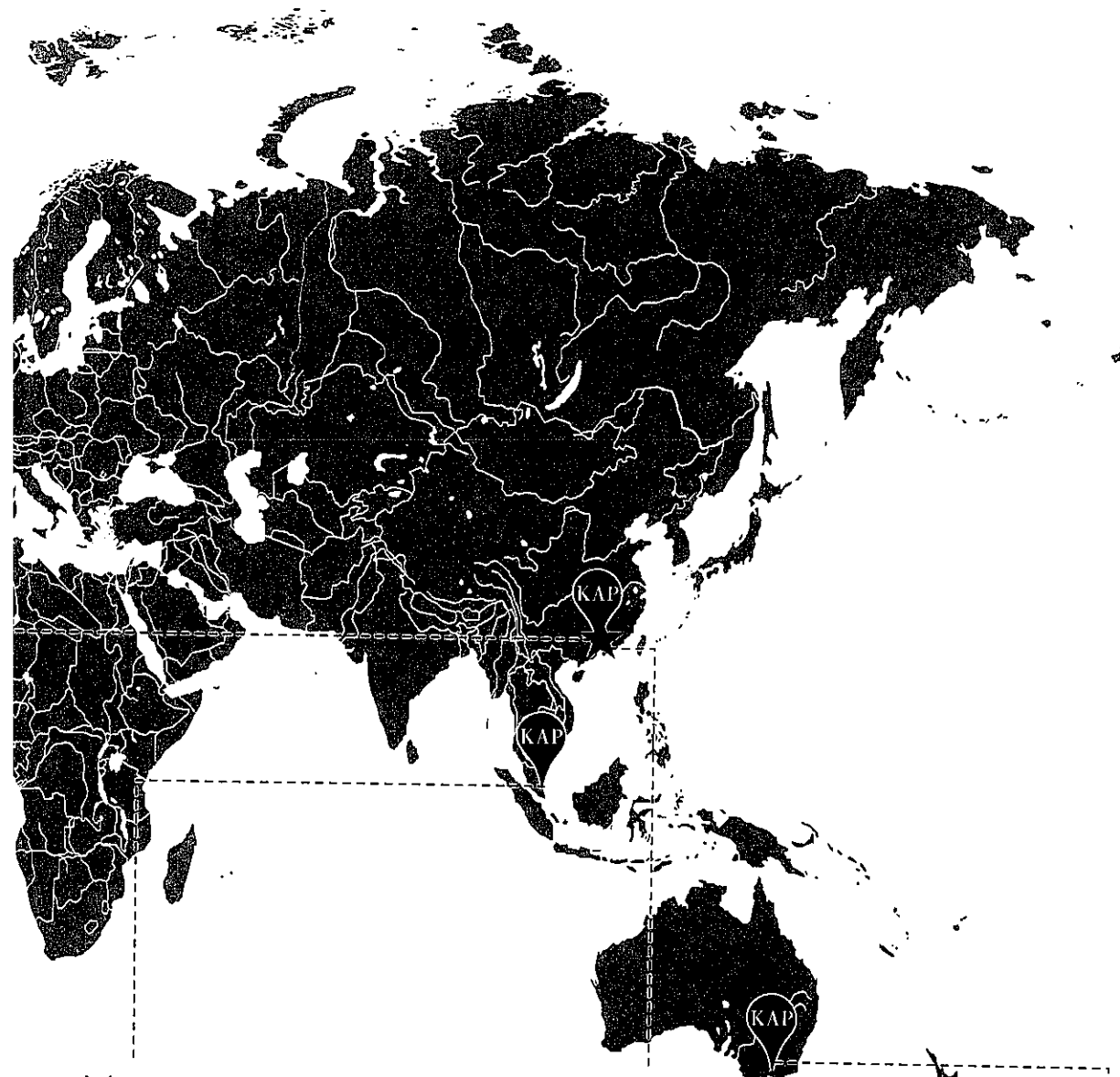
Kam Kiu Aluminium Products  
D. A. Schweiterlaan 42, Netherland  
Tel No: +31 648 642 412  
Fax No: +31 337 440 020  
E-mail: info@kamkiu.com

### 中國地區生產基地 (China Production Base)

台山市金橋鋁材廠有限公司  
Taishan City Kam Kiu Aluminium Extrusion Co. Ltd.  
中國廣東省台山市大江鎮石橋工業區  
Dajiang District, Taishan City, Guangdong, PR China  
電話 (Tel No) : +86 750 543 8596  
傳真 (Fax No) : +86 750 543 8173  
電郵 (E-mail) : info@kamkiu.com

### ★金橋鋁材集團有限公司 (總公司)

香港九龍尖沙嘴東部科學館道1號康宏廣場北座18樓17室  
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電郵: info@kamkiu.com  
網址: http://www.kamkiu.com



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Fax No: +65 6560 2115  
E-mail: singapore@kamkiu.com

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Kam Kiu (Hong Kong) Ltd.  
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Vic.3124, Australia  
Tel No: +61 3 9889 4899  
Fax No: +61 3 9889 4891  
E-mail: info@kamkiu.com

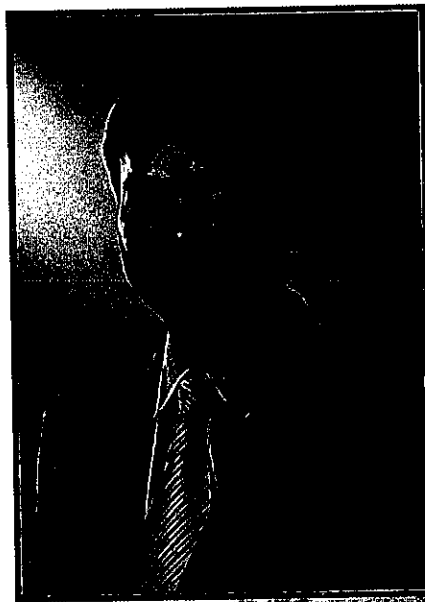
**Head Office**

Kam Kiu Aluminium Products Group Ltd.  
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# 前言

## Foreword

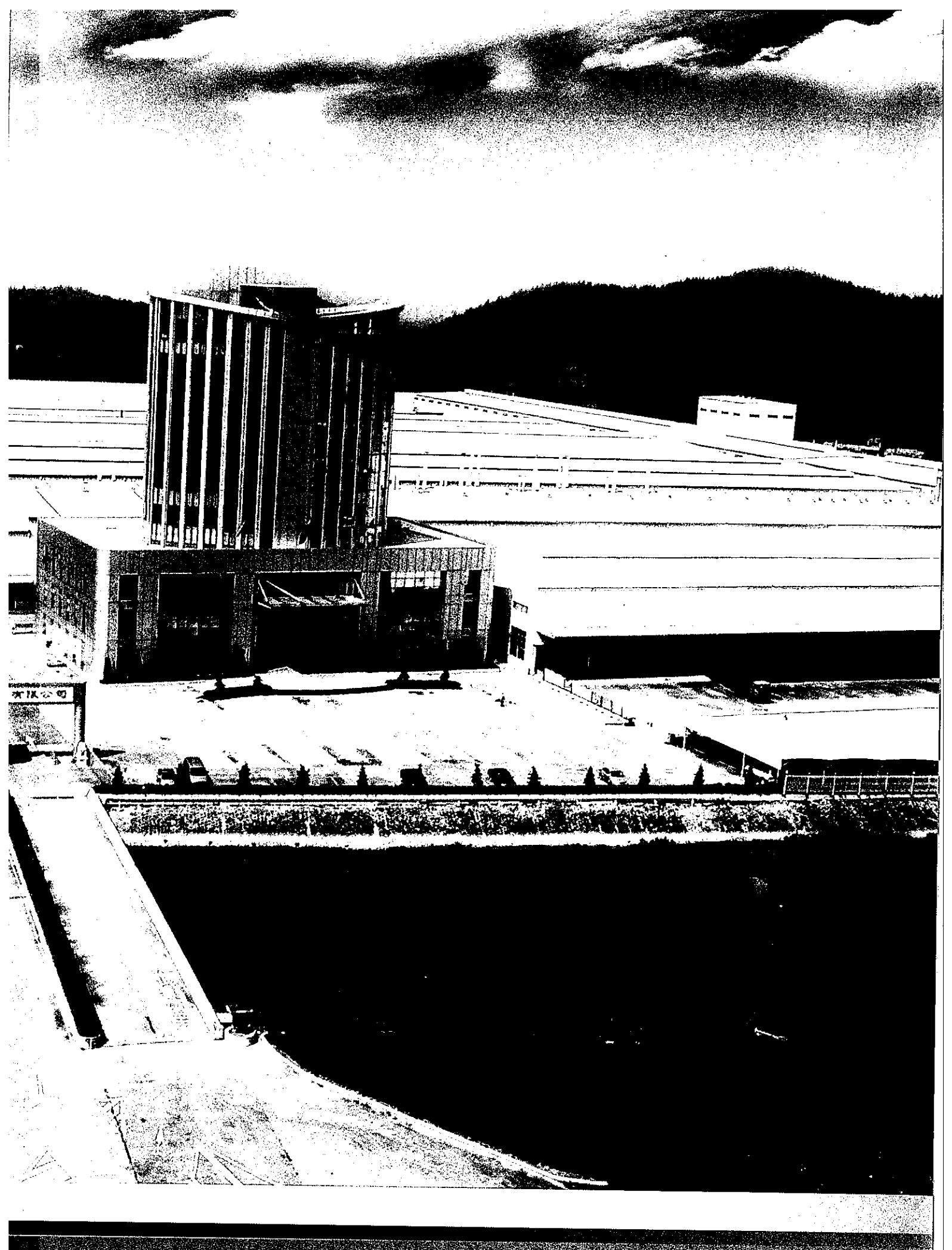
It's been 27 years since Kam Kiu Group established its business operations in 1983. We have always adhered with the principle of "people oriented, customers first, excellence and continuous improvement" as our quality assurance policy. We seek to instill a corporate culture upholding the values of "discipline, diligent, cost conscious, efficient and teamwork". These values contributed to our rapid business growth and development. Kam Kiu withstood numerous challenges during these times, but we stayed the course and evolved in gradual phases. It is now an established global aluminum extrusion enterprise with several advanced production lines with more than 1200 employees. Our diverse product range covers architecture, transportation, electronics, aerospace and aviation, automotives, railway transportation, medical instruments and consumer products. We always placed our customer's requirements as priority and understood that we depend on their trust and support for our continued success. Kam Kiu will exert all efforts to supply high quality products, render good service and hope to progress and grow together with our customers.



已故金橋鋁材集團創始人  
雷子欽先生 (Mr. Ken Lei Zi Qing)  
(1962-2010)

自一九八三年三月創辦以來，金橋集團昂然踏入第二十七個年頭，集團堅持「以人為本、顧客至上、精益求精、持續改進」的質量方針和「守法、勤奮、節約、高效、團隊」企業文化精神，業務迅速發展，期間經歷不同時期挫折及考驗，從小到大，從弱到強。時至今日，已成為一個僱有1200多名員工及擁有一系列先進完善的生產綫之國際性鋁材企業。產品廣泛應用於建築、運輸、電子、航天航空、汽車、軌道交通、醫療及耐用消費品等多個行業。我們一直視客戶的需求為己任，深信集團之成功源自客戶的支持與信賴，我們將繼續努力為客戶提供更高質量的產品和良好服務，與客戶攜手共進。

——引自已故集團主席雷子欽先生于2010年初的陳述  
quote by our former Chairman, the late Mr. Lei Zi Qing in early 2010



# H 發展歷程

## History and Milestones



**1983**

Established a casting factory at Taishan, a city well populated with overseas Chinese in China. A simple 50kg casting oven was used to produce non-ferrous alloy metal.

**1984**

Continued to improve casting facilities and began to manufacture billets.

**1989**

Established regional headquarter in Hong Kong to develop overseas markets for the sale of a variety of alloy metals and non-ferrous metals.

**1991**

Commenced production of extrusion aluminium products and installed anodizing lines.

**1992**

Succeeded in introducing quality extrusion aluminium products to Hong Kong's construction industry and set up the first overseas office in Australia for the development of the Australian markets.

**1993**

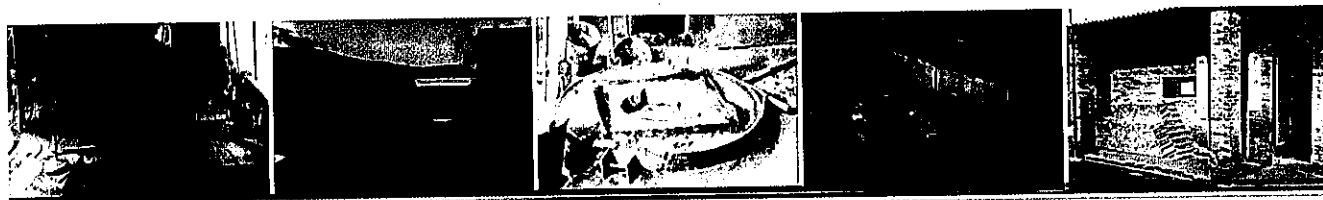
Opened an office in Singapore to develop the Southeast Asian markets. Established a fabrication plant to manufacture value-added products such as aluminium doors and window boards and accordion sliding door.

**1995**

Awarded the ISO9002 quality assurance certificate – the first extrusion aluminum plant with such internationally recognized certification. Further enhanced the provision of value-added services with the addition of powder coating and painting lines.

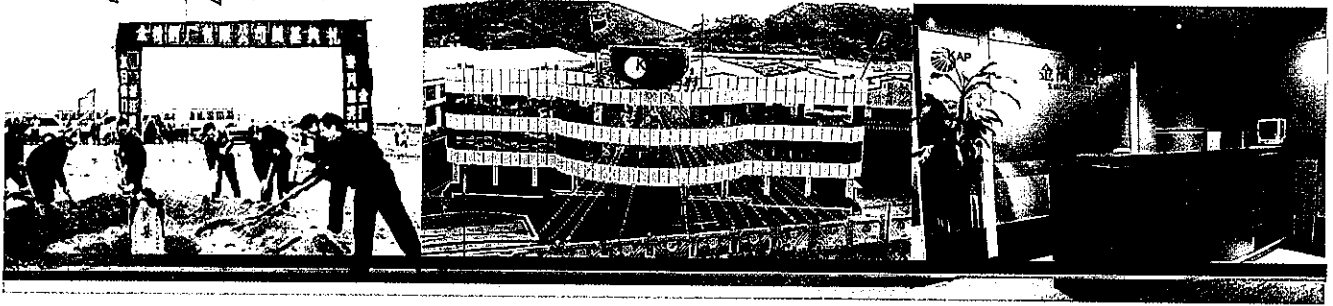
**1999**

Passed the DNV product quality tests that would help open up the market sectors on aviation and transportation materials. Also opened offices in Beijing, Shanghai and Shenzhen in China, as well as Canada for the northern American market. Group Chairman Mr Ken Lei was granted the HK Young Industrialist Award the first winner from the aluminium extrusion industry.





# 1983-1999



## 1983

在中國僑鄉台山市創辦鑄造廠，當時只使用較簡單的50公斤鉗鍋爐，鑄造鋁合金錠。

## 1984

○ 不斷改良鑄造設備，並開始鑄造鋁棒。

## 1989

○ 在香港成立集團總部，向國外市場拓展及銷售各種鋁合金及有色金屬材料。

## 1991

● 建立了鋁型材擠壓生產綫和陽極氧化着色生產綫。

## 1992

● 成功進入香港鋁型材市場，並在澳洲設立首家海外辦事處，開拓澳洲市場。

## 1993

● 在新加坡設立辦事處，開拓東南亞市場。  
在國內開設鋁制品加工廠，生產鋁門窗、金屬板剪折等增值產品。

## 1995

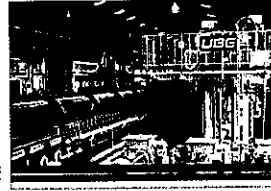
● 通過ISO 9002質量體系認證，為亞太地區首家榮獲此國際認證的擠壓鋁型材廠。  
進一步提供高增值服務，增設噴粉、噴油生產綫。

## 1999

● 通過船級社DNV產品質量驗證，有助開拓交通及運輸業用料市場。在北京、上海、深圳、加拿大設立辦事處，開拓新市場。同年，集團主席雷子欽先生獲香港青年工業家獎，為歷屆首位從事鋁型材工業之得獎者。




# 2000 – 2010



## 2000

Diversified product range with the addition of seamless tube and drawn tube lines, further expanding the market of extrusion aluminium products for industrial use.

## 2002

- Centralized all products under one global brand  and made successful inroads into Japan.

## 2003

- Implemented full computerization with the ERP management system. Through KamStar system, customers can track order situation online. Also strengthened market development pursuits in Europe. Top 10 China Aluminium Extruder Guangdong Renowned Enterprise.

## 2004

- Acquired 4 state-of-the-art UBE Extrusion Presses, among which, the 6180 UST press is the biggest press in Southern China, and can produce profiles of up to 540 mm C.C.D. China Renowned Enterprise.

## 2005

- Granted as one of the "Top Ten Influential Brands" in aluminum extrusion industry.

## 2006

- Granted as one of the "Top Ten Chinese Famous-Brands in world wide Non-Ferrous metal Market.

## 2007

- Selected as <Chinese Famous-Brand Company>.

## 2008

- Acquired ISO /TS16949 certificate for automotive products managing system and ISO14001 certificate for environmental managing system.

## 2010

- The brand new administration building was put into use. Equipped with auxiliary facilities and advanced CNC machining centers, Kam Kiu makes committment to precision machining field.


# 發展歷程

## History and Milestones

2000

產品推向多元化，增加無縫管及精抽管生產線，擴大工業用型材銷售市場。

2002

全球統一建立  AP 品牌，並成功進軍日本市場。

2003

○ 實施全面電腦化，落實ERP管理系統，客戶可通過金星系統隨時經互聯網查閱訂單進度。同年亦進一步加強開發歐洲市場。

榮獲中國鋁材“十強”企業和廣東省“名牌產品”企業。

2004

● 購入四台全新日本UBE擠壓機，最大一台為6180UST，可生產對角綫達540mm型材。榮獲中國“名牌產品”企業的稱號。

2005

● 獲評中國鋁型材十大影響力品牌。

2006

● 獲評世界市場中國（有色）十大年度品牌。

2007

● 入選《中國名企》。

2008

● 通過汽車工業產品質量管理體系ISO TS16949認證及ISO 14001環境管理質量體系認證。

2010

● 新行政大樓建成投入使用，改善生產設備配套設施，購入先進的CNC加工設備，進軍深加工領域。



# 體系認證

## System Certification

金橋不斷致力於提供高質素產品，成績卓著，且獲多個國際及國內專業組織頒授獎項及證書，包括：

- ISO 9002 (2000版) 品質管理體系認證(自1995)
- 中國質量認證證書(自1996)
- 中國廣東省高新科技企業獎(自1998, 2000 & 2002)
- 挪威DNV船級社產品標準認證(自1999)
- ISO TS16949:2002 汽車產品質量管理體系認證

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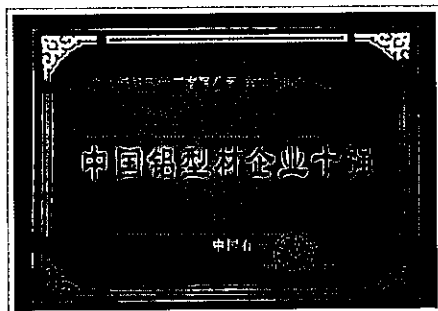


中國名牌  
China Top Brand

Kam Kiu is engaging in providing customers with premium quality products recognized internationally and locally.  
Certificates include:

- ISO 9002 Certificate: 2000( 1995)
- China Quality Certification ( 1996)
- Guang Dong High-Tech Enterprise (1998, 2000 & 2002)
- Det Norske Veritas (DNV) Approved Manufacturer Certificate (1999)
- ISO-TS16949 : 2002

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中國鋁型材企業十強  
China Top 10 Aluminium  
Extrusion Companies



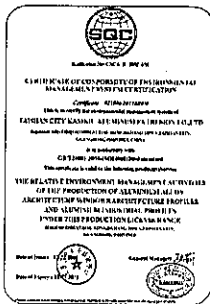
世界市場中國(有色)十大年度品牌  
China (non-ferrous) Top 10 Annual  
Brand in World Market



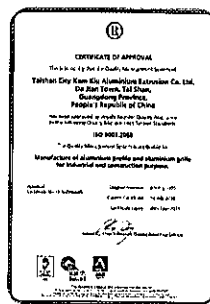
全國百家明星僑資企業  
China Hundreds Famous  
Enterprises With Overseas

贊賞與殊榮既印證了金橋的實力，并形成一股動力，  
鞭策我們全力進取，力爭更爲杰出的成就。

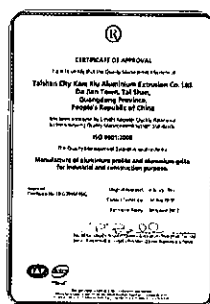
Prizes and honors not only manifest Kam Kiu's capability,  
but serve as a source of inspiration to strive for further and higher achievements.



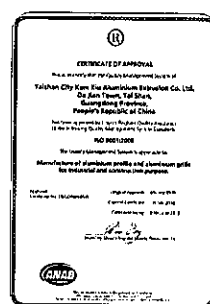
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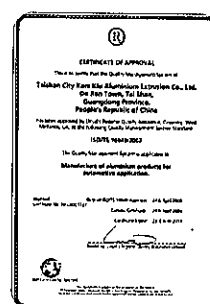
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Cert.No.HKG0946645



ISO9001  
Cert.No.HKG0946645



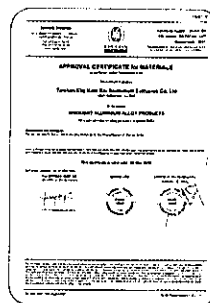
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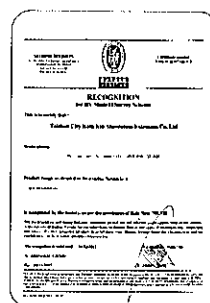
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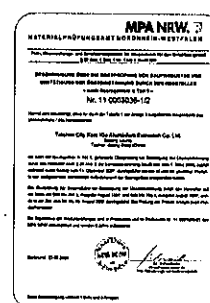
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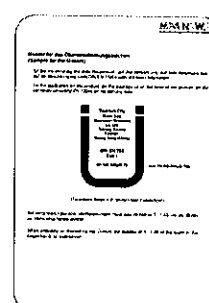
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BUREAU VERITAS  
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Nr.11 0003036-1/2

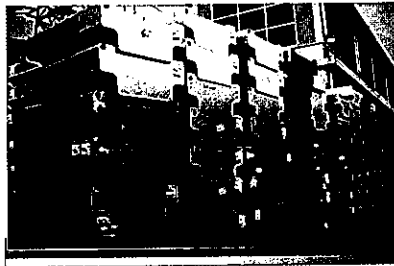
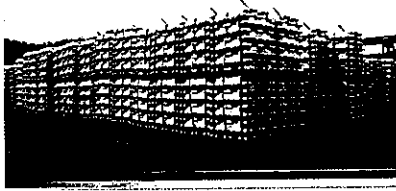


MPA NRW  
DIN EN 755 Teil 1

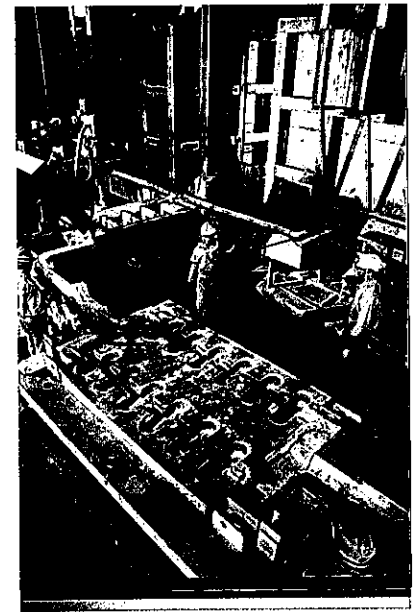
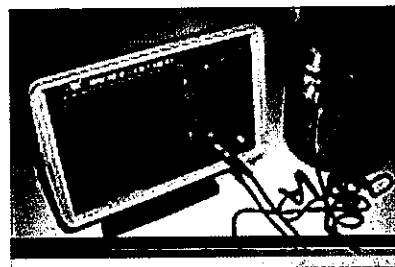
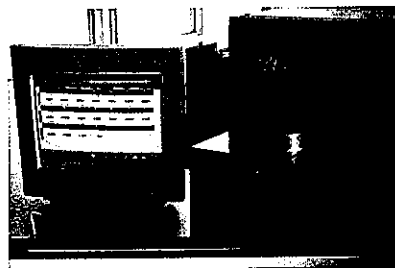
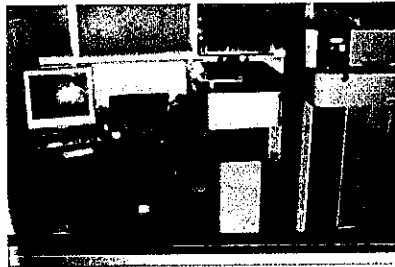
# 熔鑄鋁棒

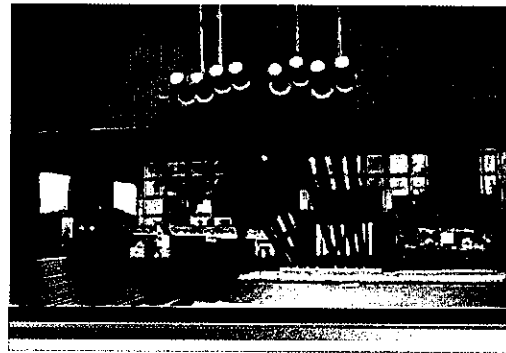
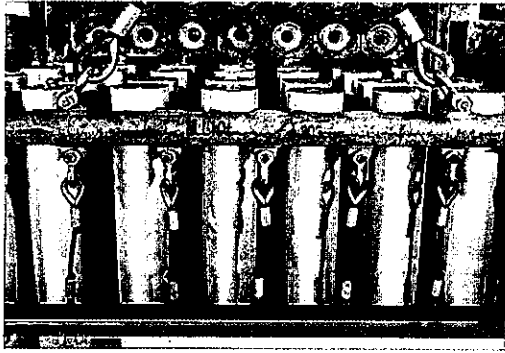
Smelting

金橋選用純度達99.7%以上的高質量的原鋁材料，嚴格按照標準或客戶指定的化學成分生產1XXX、2XXX、3XXX、5XXX、6XXX、7XXX系列鋁合金棒；結合電磁攪拌器、光譜分析儀、在綫除氣、測氫儀、超聲波鋁棒探傷儀等設備生產出高質量的均質鋁合金棒。



We use primary ingots of 99.7% purity to cast aluminum billets of 1000、2000、3000、5000、6000、7000 series for production according to international standards and the designated chemical composition offered by our customers. The quality of aluminum billets are guaranteed and enhanced by auxiliary equipment such as electronic magnetic stirrers, spectrum analyzer, online hydrogen degassing system, hydrogen detectors, ultrasonic billet testers and homogenization furnaces.

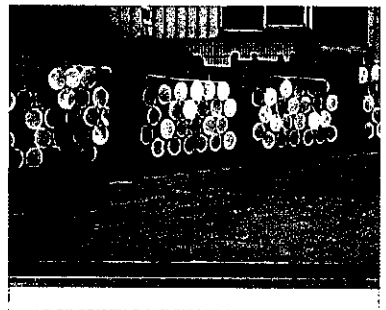
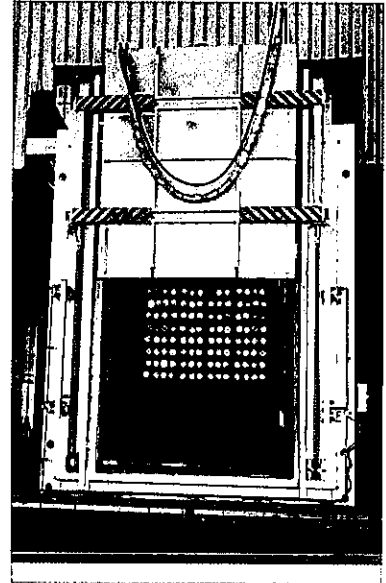




## F 設備 Facilities

- 4台容量40公噸熔煉爐
- 3台容量20公噸熔煉爐 (其中2台附帶特殊合金電磁攪拌設備)
- 1台容量5公噸熔煉爐
- 5台容量40公噸均質爐
- 2台電腦光譜成份檢驗
- 超聲波鋁棒探傷儀
- 在綫除氣、除渣、精煉設備
- 測氫儀

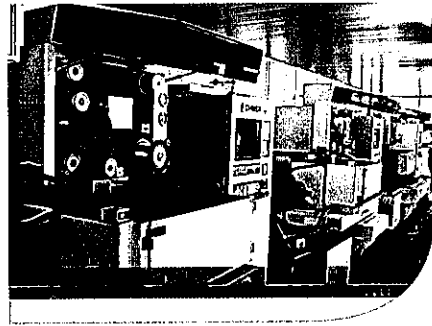
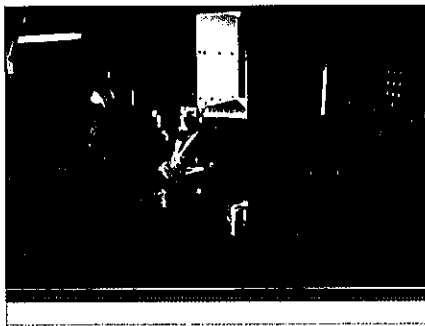
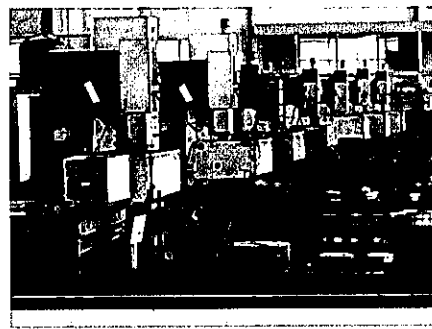
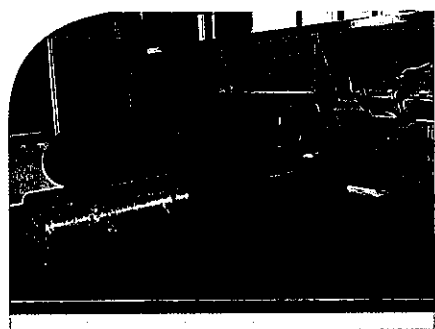
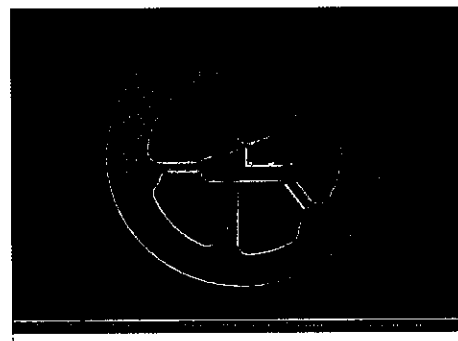
- 4 X 40 MT Smelting Furnaces
- 3 X 20 MT Melting Furnaces  
(2 furnances equipped with Electromagnetic Stirrers for Specialalloy)
- 1 X 5 MT Smelting Furnace
- 5 X 40 MT Homogenization Furnaces
- 2 Optical Spectrometers
- Ultrasonic Inspection System for Aluminium Billets
- In-line Cleaning System on Aluminium Smelter
- Hydrogen Measuring Equipment



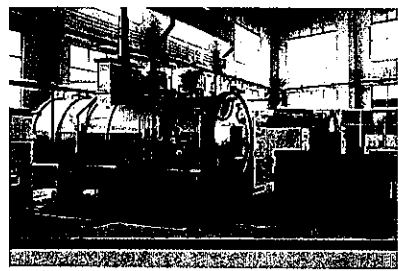
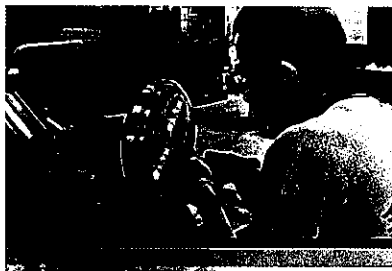
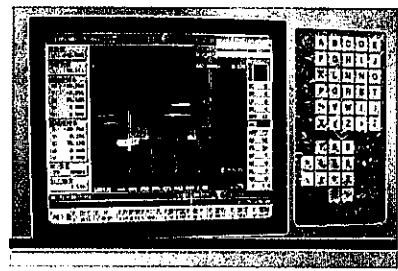
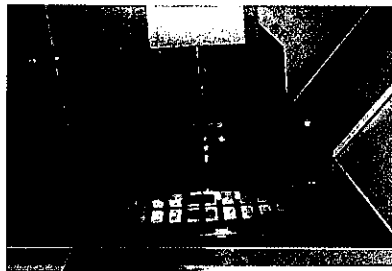
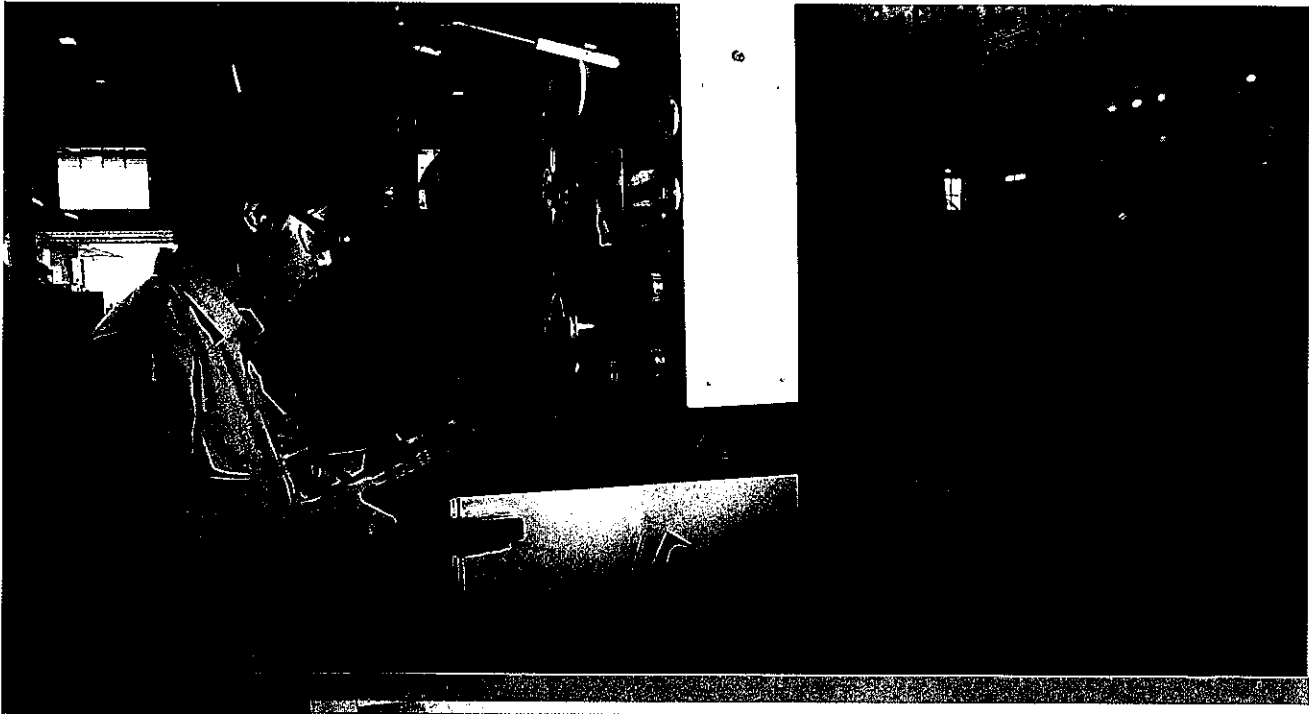
# 模具制作

## Tool & Die Making

金橋擁有一支專業的模具設計及生產隊伍，為製造優質模具奠定了堅實的基礎。我們採用三維模具設計模擬系統，全綫制造使用CNC加工中心、真空熱處理爐、可控氣氛爐、氮化爐等配合生產高精度、高強度、高耐磨性的模具，務求擠壓模具在每個鋁型材生產過程中的精確性和發揮最佳的效果。







Kam Kiu is staffed with a professional team of specialists in tool and die design. They're engaged in developing high quality dies with 3-D design and simulation system. Our production of dies are characterized by precision, strength and abrasive resistance. These are complemented by CNC machining centers, vacuumed heat-treated ovens, controlled multi-atmosphere and nitriding ovens, which enhance accuracy and effectiveness in the downstream extrusion production process.

# 擠壓成形

## Extrusion Process

金橋擁有一支經驗豐富的擠壓生產隊伍，保證了生產工藝的編制、管理及執行；結合先進的擠壓生產綫，為生產高品質、高精度要求的鋁型材提供了堅實的保證。金橋致力於不斷提升技術，優化生產設備，成為海內外首選鋁型材制造廠之一。



Kam Kiu is endowed with well defined and well-developed extrusion lines, our core production teams comprise experienced and skillful technicians. These enable us to plan, manage and implement production processes to achieve consistently high quality products. We in Kam Kiu endeavor to raise our production techniques, upgrade our facilities and strive to be the preferred premium aluminum extruder at home and abroad.



# 設備

## Facilities

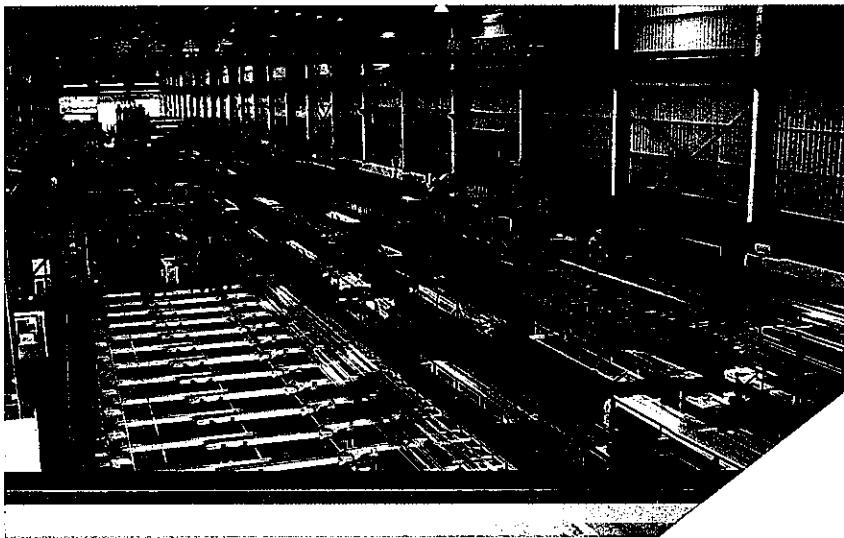
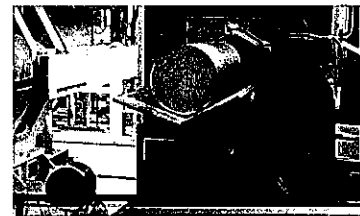
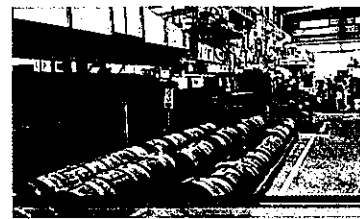
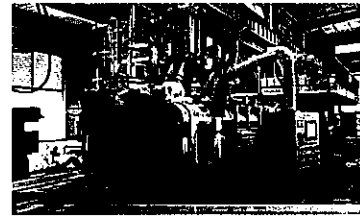
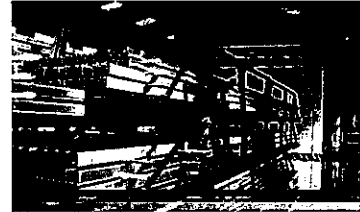
金橋的5個擠壓廠擁有31台擠壓機，並附帶鋁棒工頻梯級加熱爐，在线淬火水冷系統、退火爐、淬火爐等系列裝置精良設備，年產量達10萬噸（2.2億磅），成為亞洲區其中一家最大的多元化擠壓型材生產商。

正向擠壓機									
機台標號(台)	6150	3150	2510	2500	1810	1250	1100	880	550
數量(台)	1	1	2	4	2	1	4	6	6

正向鋁棒直徑：  
406mm/16", 356mm/14", 279mm/11", 228mm/9",  
203mm/8", 178mm/7", 140mm/5.5", 120mm/4.7",  
88mm/3.5"

反向擠壓機		
機台標號(台)	2800	1000
數量(台)	2	2

反向鋁棒直徑：  
273mm/11.7", 220mm/9", 134mm/5.3"



Kam Kiu is one of the largest extruders in Asia. Our 31 extrusion presses at 5 plant locations with modern equipment such as tapered induction billet heater, in-line water quenching system, annealing furnace, quenching furnace etc., is capable of producing in excess of 100,000 metric tons (220 M lbs) of aluminum extrusions annually.

DIRECT EXTRUSION PRESSES									
Press Size (US Tonnage)	6180	3680	2800	2500	1800	1250	1100	880	550
No. of Machine (Set)	1	1	2	4	2	1	4	6	6

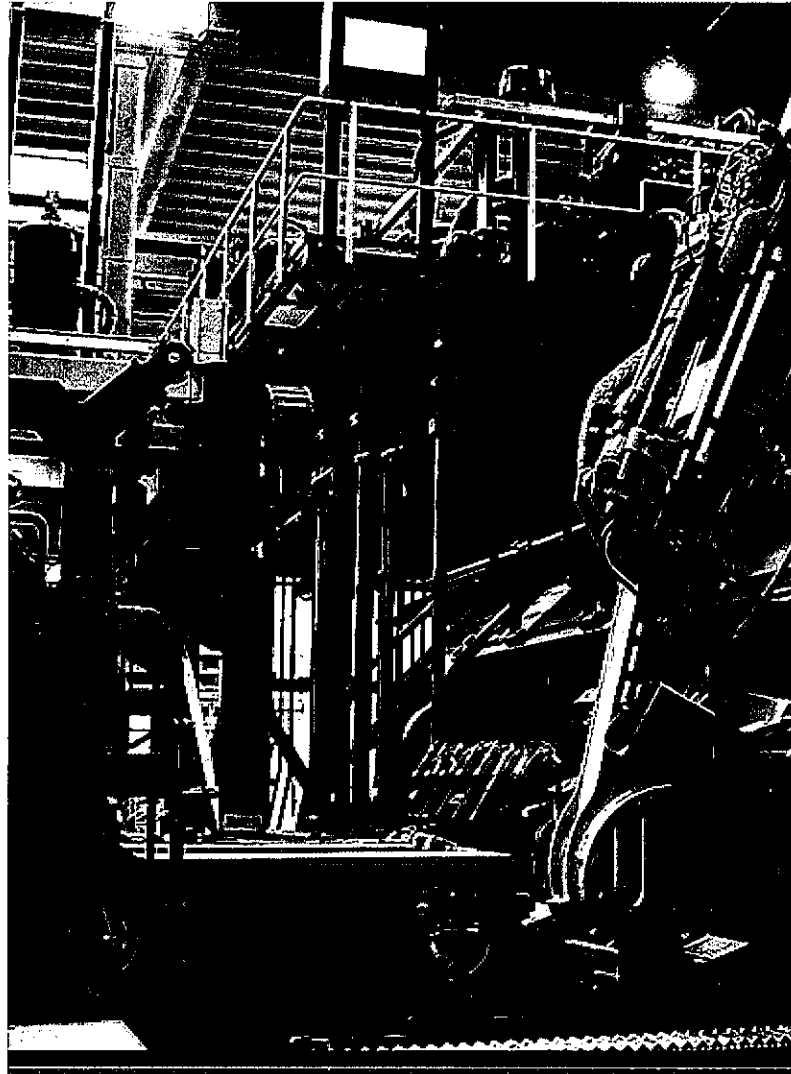
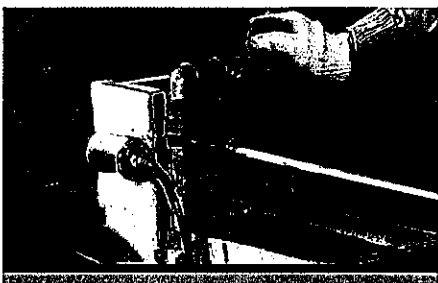
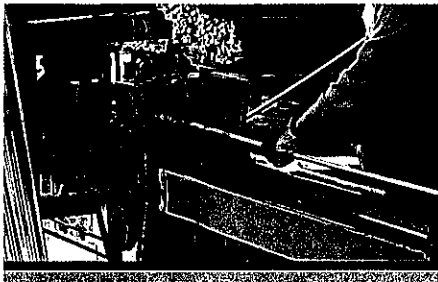
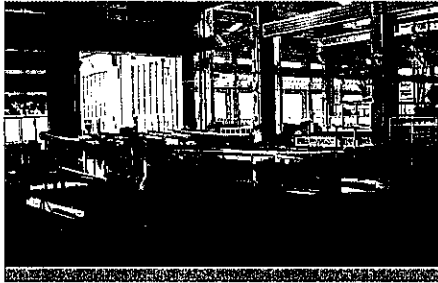
INDIRECT EXTRUSION PRESSES		
Press Size (US Tonnage)	2800	1000
No. of Machine (Set)	2	2

Direct Billet diameter:  
 406mm/16", 356mm/14", 279mm/11", 228mm/9",  
 203mm/8", 178mm/7", 140mm/5.5", 120mm/4.7",  
 88mm/3.5"

Indirect Billet diameter:  
 273mm/11.7", 220mm/9", 134mm/5.3"

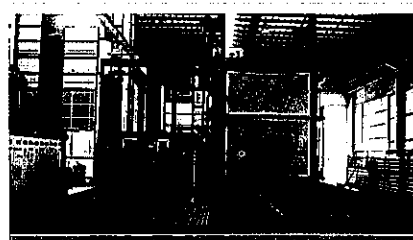
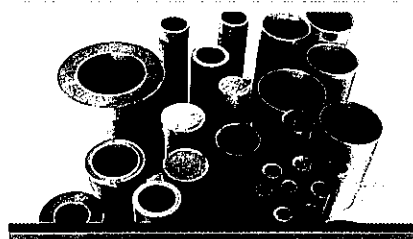
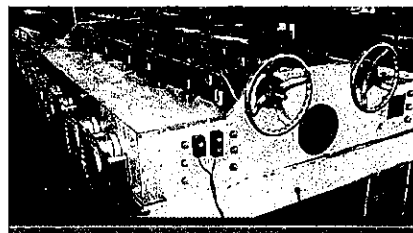
# 管材生產

Tubular Products



世界最先進的反向雙動擠壓機配合懸空式工頻梯度鉛棒加熱，  
交通運輸工業中的2系列和7系列硬合金和無縫管材。

High-precision products, such as hard alloys and seamless tu  
indirect, double-action presses, with the assistance of susper  
for application in medical instruments, electronics, precision a

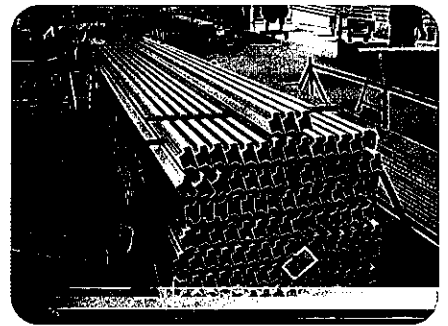
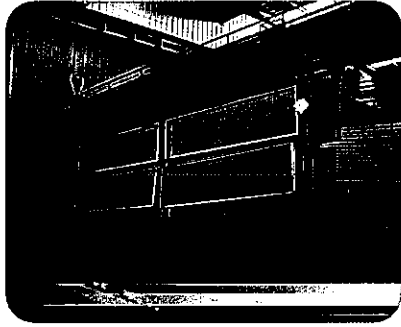


主產高品質鋁材，最佳用于生產醫療、電子、精密儀器、航海、航空、

s of 2000 and 7000 series are extruded from the most advanced  
ed induction billet heaters. These products are the optimal choice  
aratus, navigation, aviation, transportation sectors.

# 陽極氧化及拋光處理

## Anodizing and Brite-Dip

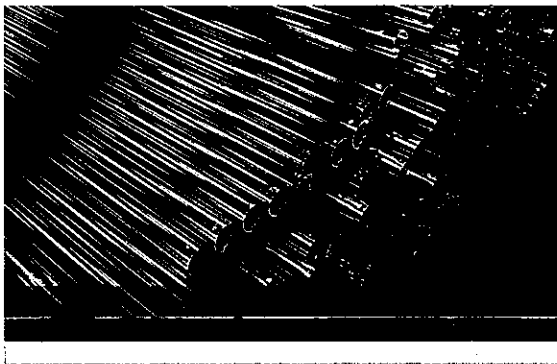


金橋擁有多條陽極氧化生產線，能生產長至8.5米的氧化着色及拋光鋁型材。除一般的氧化着色外，在我們的化學拋光氧化線及機械拋光機互相配合下，可生產出“鏡面”的高光度效果，適合應用於浴室、圖片相框、地毯修邊等產品。

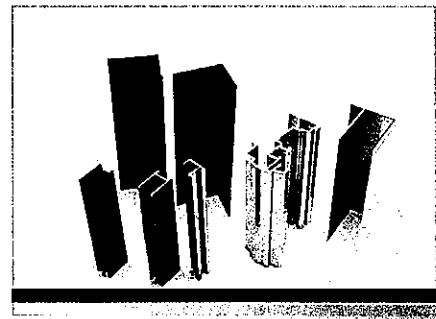
Kam Kiu's surface treatment equipment can provide anodic coating and bright dip for aluminum products up to 8.5 meters long. In addition to the regular range of anodized colors, the chemical and mechanical polishing facilities can produce perfect mirror like surface finish suitable for indoor applications like photo frames, wardrobes, shower enclosures and carpet trims.

# F 設備 Facilities

- 1條氧化着色生產線
- 2條氧化及化學拋光着色生產線
- 4台機械拋光生產線
- 氧化着色年生產能力:1300萬平方米
- 最厚氧化膜厚度:25微米或1.0mil
- 氧化着色的最大切割長度:8.5米或28英尺
- 顏色:金、黑、銀白、古銅、香檳色等...



- 1 anodizing line
- 2 anodizing line inclusive of brite dipping
- 4 buffing machines for brite dipping
- Yearly anodizing capacity: 13 million square meters
- Maximum coating thickness: 25 microns or 1.0 mil
- Maximum cut length to be anodized: 8.5 meters or 28 feet
- Color range: gold, black, natural, bronze, champagne, etc.

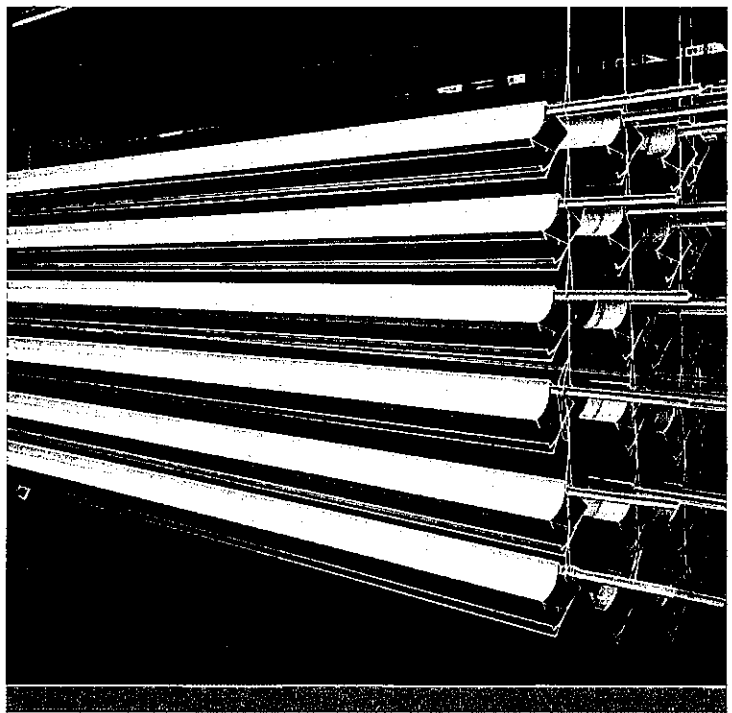
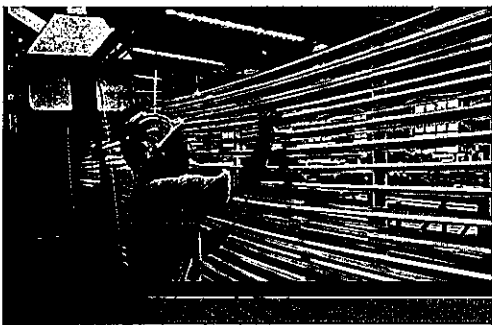
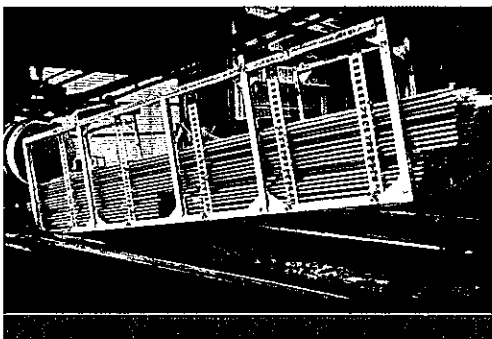


# 粉末及氟碳噴塗

## Powder Coating and PVF2 Painting

金橋擁有多條粉末靜電噴塗及氟碳油漆噴塗卧式、立式生產綫。粉末噴塗具有生產速度高、換色方便快捷等特點；而氟碳噴塗則可進行最多4層噴塗，配合金屬顏色的氟碳油漆，使型材表面有不同色彩的金屬觀感。兩種噴塗都具有顏色光亮、色彩持久、耐腐蝕及耐磨損性的特點，而本公司生產的所有噴塗產品均符合 AAMA, ASCA 和 BS 的技術要求。

Kam Kiu has several electro-static powder coating lines as well as horizontal and vertical PVF2 wet painting lines. Powder coating finish is fast and efficient while PVF2 coating offers multi-coat finishes from a wide array of available colors. There is a broad range of organic coatings offering an unlimited array of colors available for decorative purposes. Both coatings are characterized by corrosion protection, temperature resistance and insulation. Our coated products are in compliance with AAMA, ASCA and BS standards.



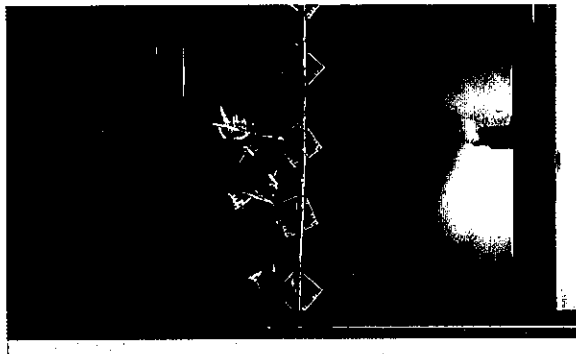


# 設備

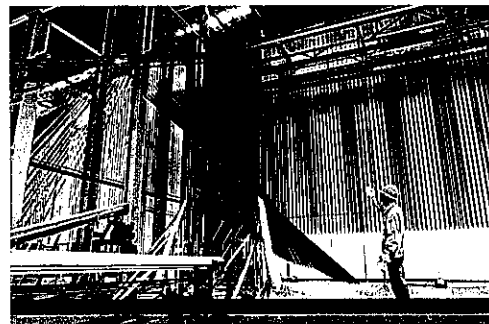
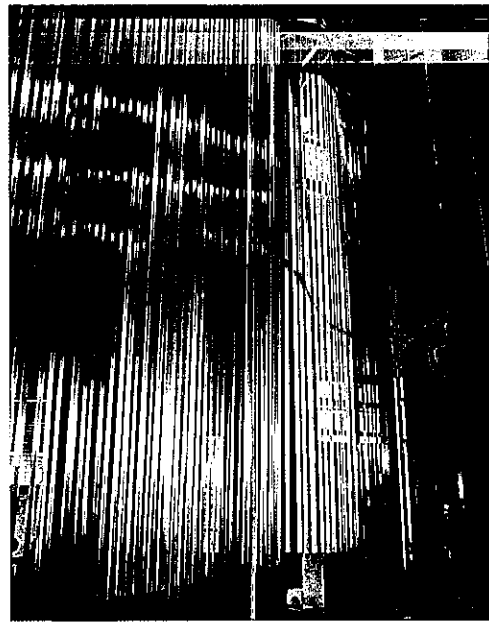
## Facilities



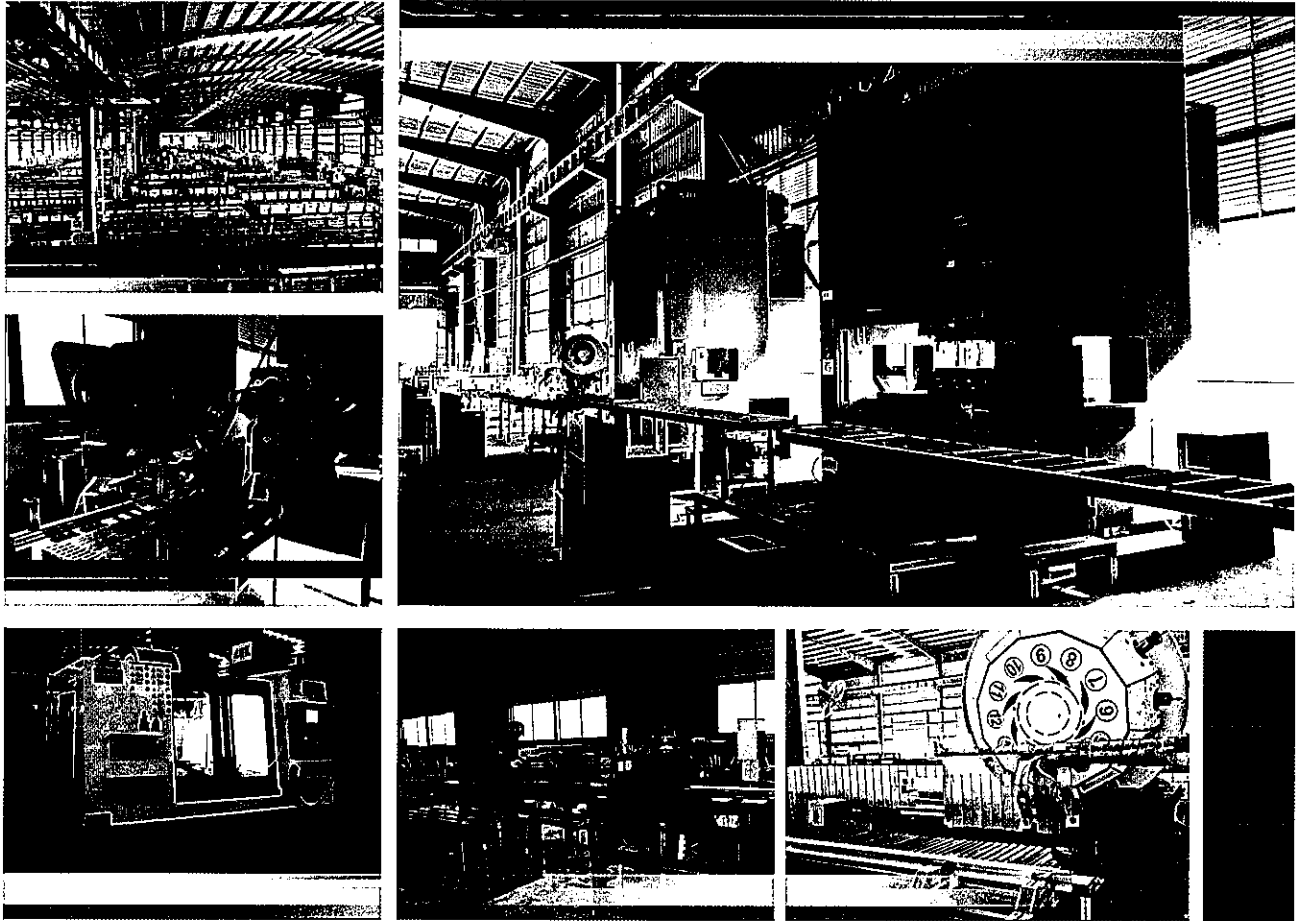
- 2條臥式靜電粉末噴塗線的年產力達550萬平方米
- 1條臥式粉末或油漆可互換式的噴塗線
- 1條臥式噴油線的年產力達60萬平方米
- 1條立式噴油線年生產力達620萬平方米
- 噴塗产品的最大長度：7.4米或24尺



- 2 horizontal powder coating lines, annual capacity:  
5.5 million sq. meters
- 1 horizontal powder/painting exchangeable line
- 1 horizontal wet painting line, annual capacity:  
0.6 million sq. meters
- 1 vertical wet painting line, annual capacity:  
620 million sq. meters
- Maximum workpiece length:  
7.4 meters or 24 feet



# F 鋁製品加工 abrication



為配合建築幕牆工程的額外需要，如鋁板或不銹鋼板剪摺，金橋從日本引進多臺CNC 數控加工設備，生產金屬板材成品，為客戶提供一站式服務。我們亦可以在擠壓型材上進行多種加工，方便客戶直接裝配。另外從美國及歐洲進口的灌注式和穿條式的隔熱斷橋機，生產出來的隔熱鋁門窗深受國內外客戶的好評和歡迎。

With the purpose of catering for the needs of architectural claddings and curtain wall production, Kam Kiu imported several CNC machines from Japan to realize downstream fabrication activities. These further enable us to offer a wide range of value-added services to our customers. Fabricating products facilitate direct assembly without further work. Kam Kiu also installed US and European made thermal barrier machines for windows and doors that are suitable for weather-proof applications, which helps win praise from customers both domestically and abroad.

# F 設備

## Facilities



- CAD/CAM電腦繪圖設備13套
- 電腦數控剪板機4米長和6米長各1台
- 電腦數控鋁板刨槽機6米長1台
- 電腦數控不鏽鋼V型槽機5米長1台
- 電腦數控液壓式折彎機6米長1台
- 電腦數控液壓式折彎機3米長4台
- 電腦數控液壓式衝床200噸2台
- 機械式衝床(6-100噸)28台
- 圓弧電動模和液壓式圓柱機4.5米1台
- 圓弧電動模和液壓式圓柱機6米1台
- 全自動3軸/4軸CNC加工中心設備5台
- 管材拉彎機
- 多功能電腦數控鋸床/銑床/鑽孔機
- 多套焊接機和種釘機
- 生產隔熱型材的灌注機和斷橋切割機各1台
- 生產隔熱型材的穿條機和滾壓機各1台

- 13 set of CAD/CAM facilities for sheet cutting
- 1 set of 4m and 6m CNC guillotine shear respectively
- 1 set of 6 m CNC panel "V" cutting machine
- 1 set of 5 m CNC "V" cutting machine
- 1 set of 6 m CNC bending machine
- 4 sets of 3 m CNC bending machines
- 2 sets of 200 tonnage CNC punching machines
- 28 sets of mechanical punching machines (6-100T)
- 1 set of 4.5 CNC rolling machine
- 1 set of 6 m CNC rolling machine
- 5 sets of 3 and 4 axes CNC automatic machining centers
- Stretch benders for tubes
- Multi-functional CNC sawing machines/milling machinings/drilling machines
- Various types of welding machines and stud welder for aluminium panels
- 1 set of fillameter machine for thermal break & bridging machine
- 1 set of striping machine & roller pressed machine for thermal insulation

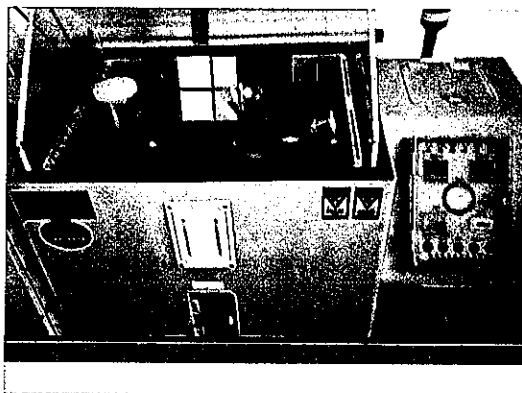
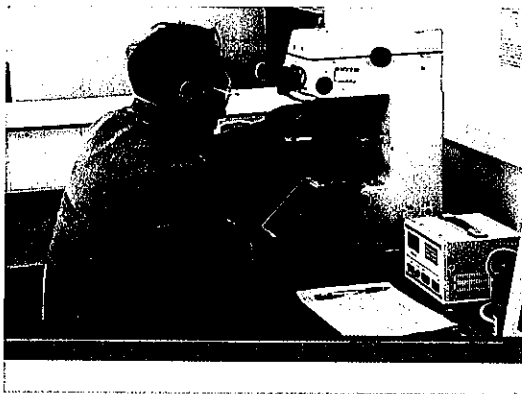
# 測試

## Testing

金橋建立了全套質量檢測設備，以保證產品質量的持續穩定，務求滿足客戶不同的要求。



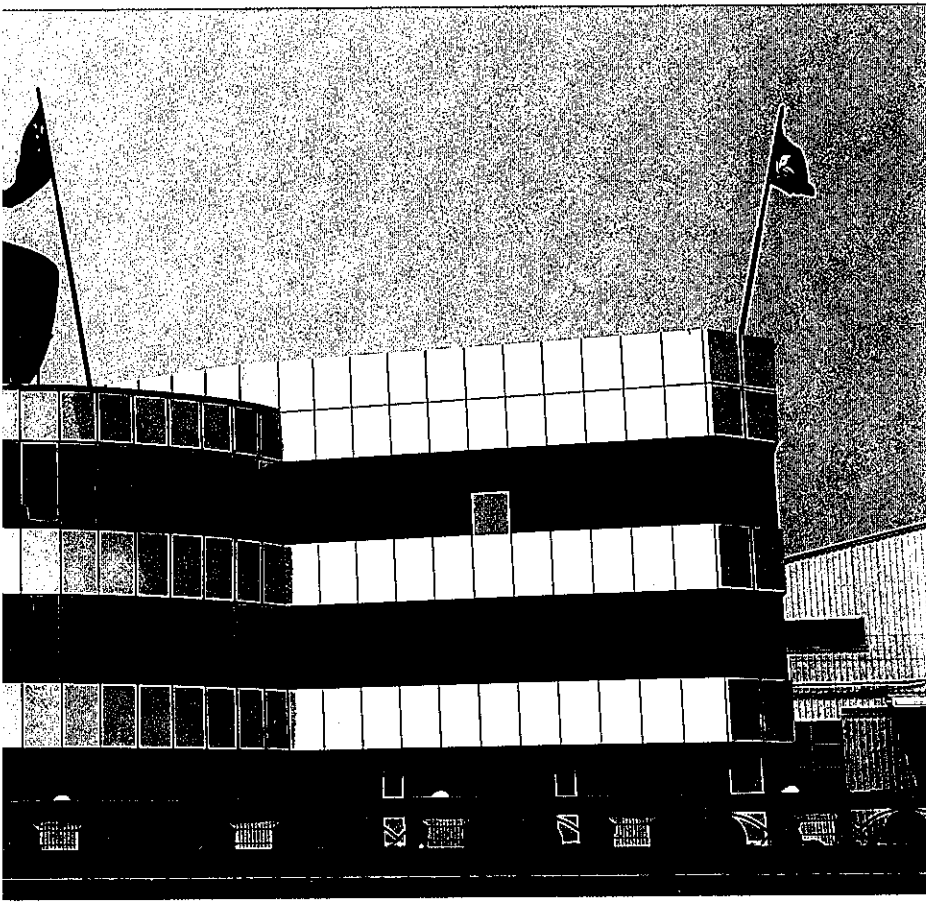
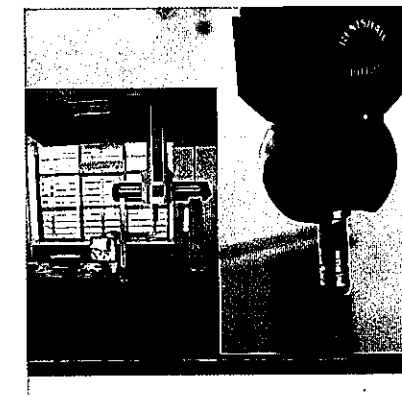
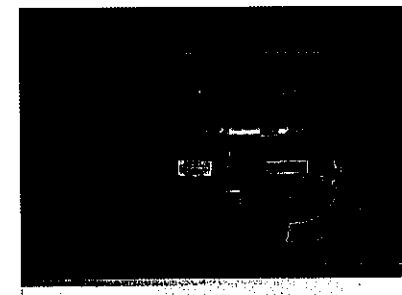
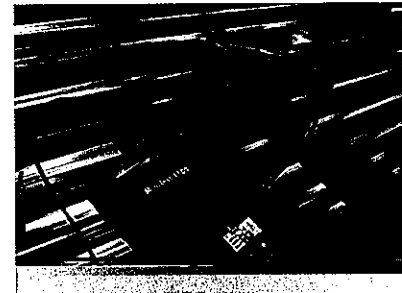
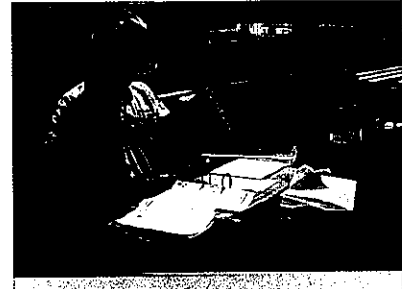
- 型材斷面檢測系統
- QUV紫外光及氣候模擬測試儀
- 腐蝕模擬測試儀（鹽水噴霧時效測試）
- 濕度測試儀
- 顏色評估儀
- 自動沉澱測試儀
- 拉力測試儀
- 電腦光譜分析儀
- 衝擊測試儀
- 手提式膜厚計
- 高倍金相微鏡分析儀
- X光檢測儀
- 超聲波檢測儀
- 手提式/渦流式探傷儀
- 光澤度測試儀
- 三坐標檢測設備



# 設備 Facilities

With our test and laboratory facilities, Kam Kiu can cater to different specification requirements with consistency and stability.

- Detecting System for Cross Section
- QUV Accelerated Weather Testers
- Cyclic Corrosion Testers
- Color Assessment Meter
- Automatic Condensation Testers
- Tensile Testers
- Optical Spectrometers
- Impact Testing Equipment
- Webster & Rockwell Hardness Testers
- Handheld Coating Film Thickness Testers
- X-ray Testers
- Ultrasonic Testers
- Portable/ Eddy Current/ Flaw Detector
- Vancometer
- Coordinate Measuring Machines



# 服務及支援

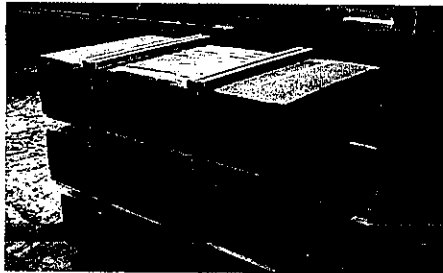
## Service and Support

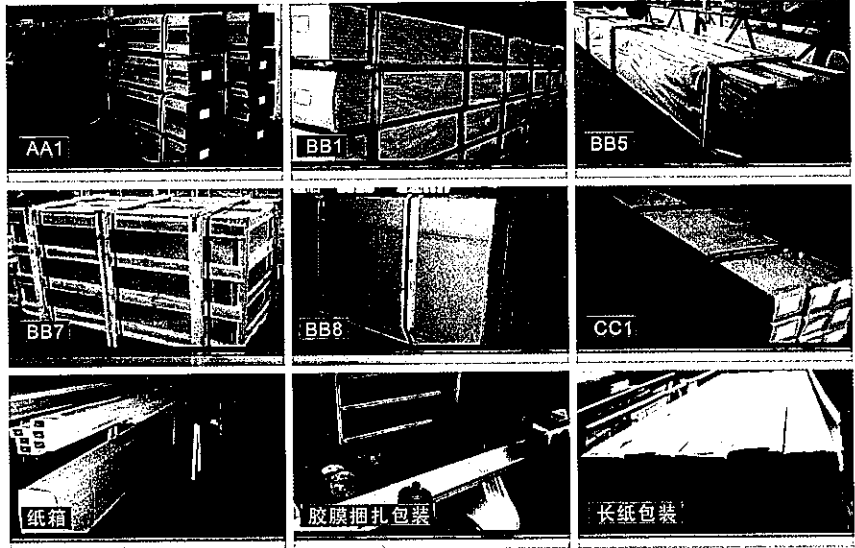
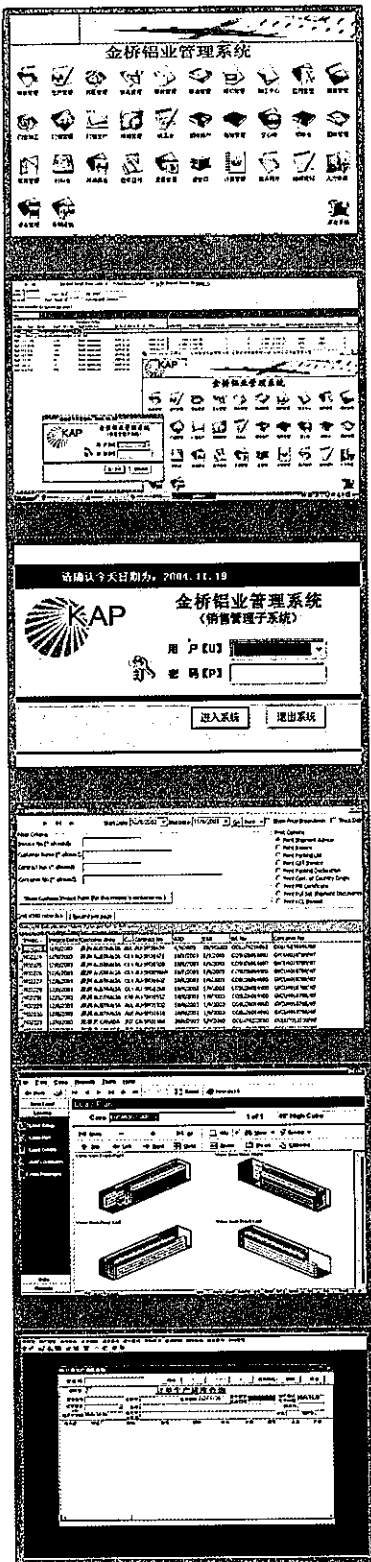
### 出口包裝

金橋有多年的出口經驗，投資了很多時間及資金改善包裝方式，務求產品不會在貨運途中受到損毀。我們不但在包裝物料、捆紮、木卡板及封箱上照顧客戶的需要，而且捆紮在貨櫃內的位置也深思熟慮，令客戶在卸貨時更為方便快捷。

### Packaging

Through our years of operation in the various export markets, Kam Kiu invested much time and efforts in the presentation of our products in terms of packing and packaging. We have devised a variety of sound and secure methods to deliver products to our spectrum of customers. Clear identification and customized packing enable our customers to retrieve and unpack their cargo with ease and comfort.





## 全球跟踪系统

金橋已在多年前進行全面數據管理電腦化，透過ERP系統，各生產車間均能實時共享各生產進度及訂單資料。並加入一套最先進的軟件系統—金星系統，從此客戶可以在任何地方及任何時間，隨時經互聯網與生產廠房的ERP系統連接，實時了解及跟蹤自己訂單的生產及發貨進度。我們是在全球擠壓同業中，第一家直接提供此項服務給客戶的。

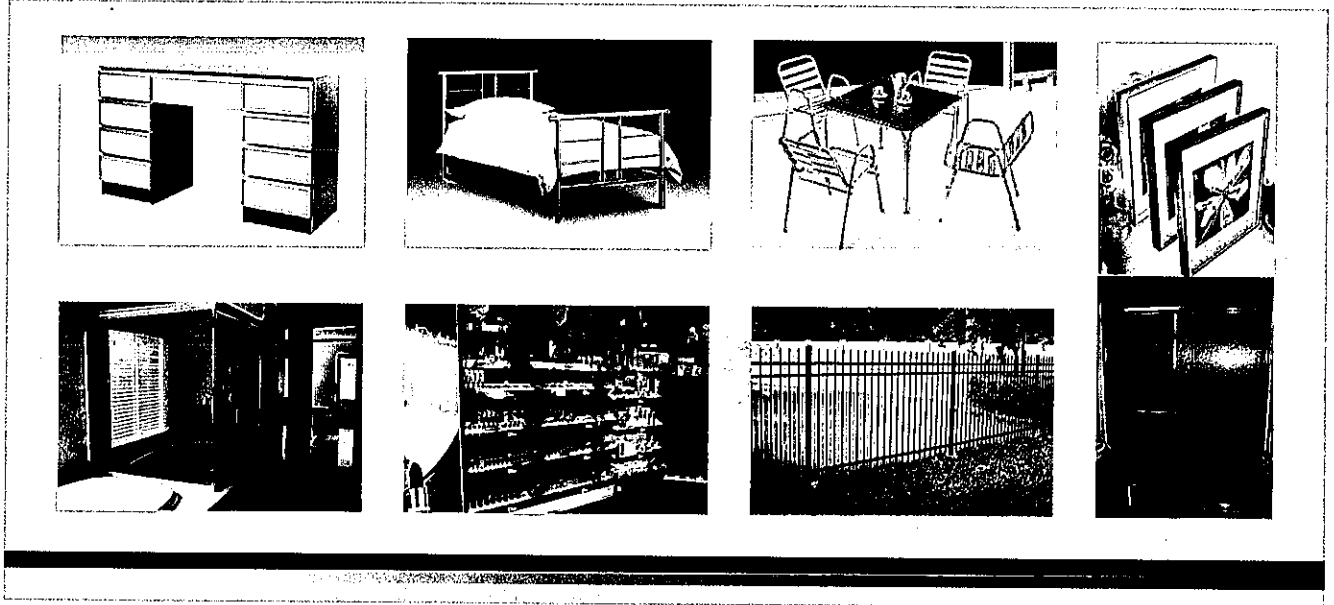
## Electronic Tracking System

Having computerized our operations through an ERP system, we installed an advanced and dedicated software system called Kam Star that enables our customers to track their individual orders online, any time. It renders information on production, delivery, contract and shipping documentation status from any location. As a mark of our commitment to quality and innovation, Kam Kiu is the first extruder to offer such an online tracking system in the global aluminium extrusion industry.

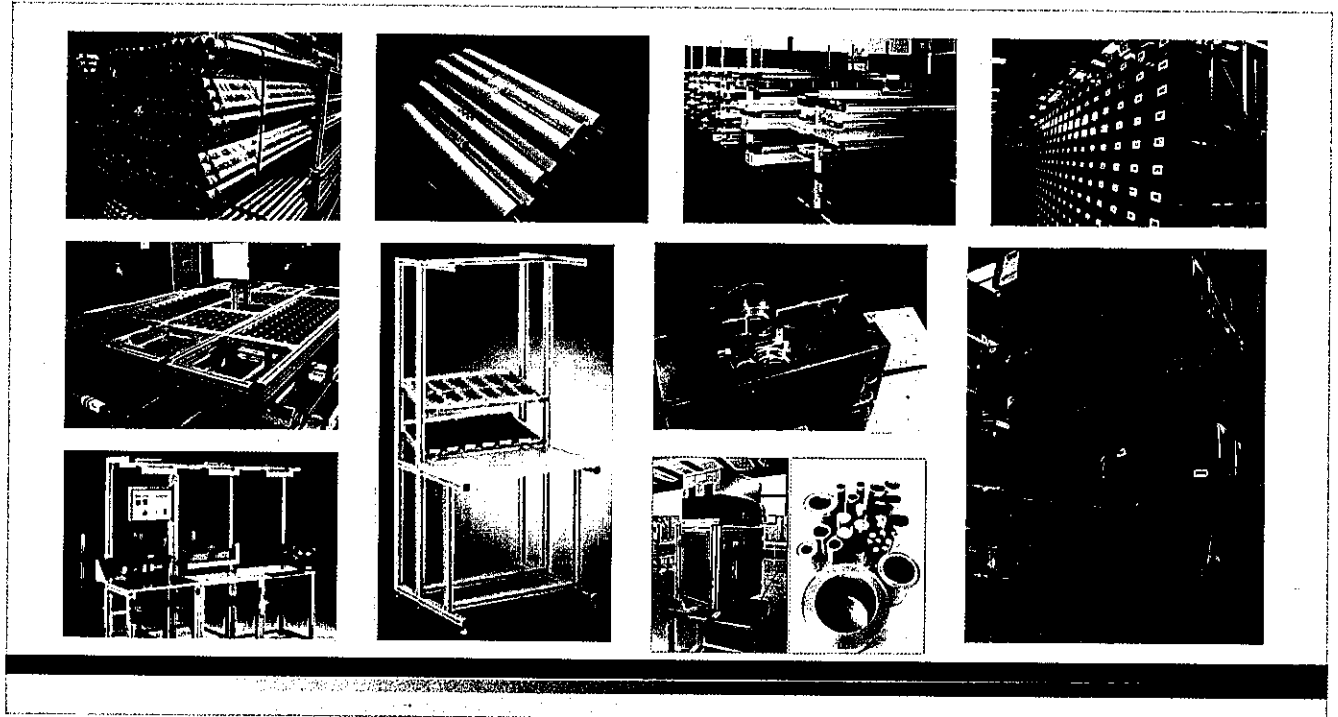
# 產品類別

Product Types

## 家庭消費品 Consumable Goods

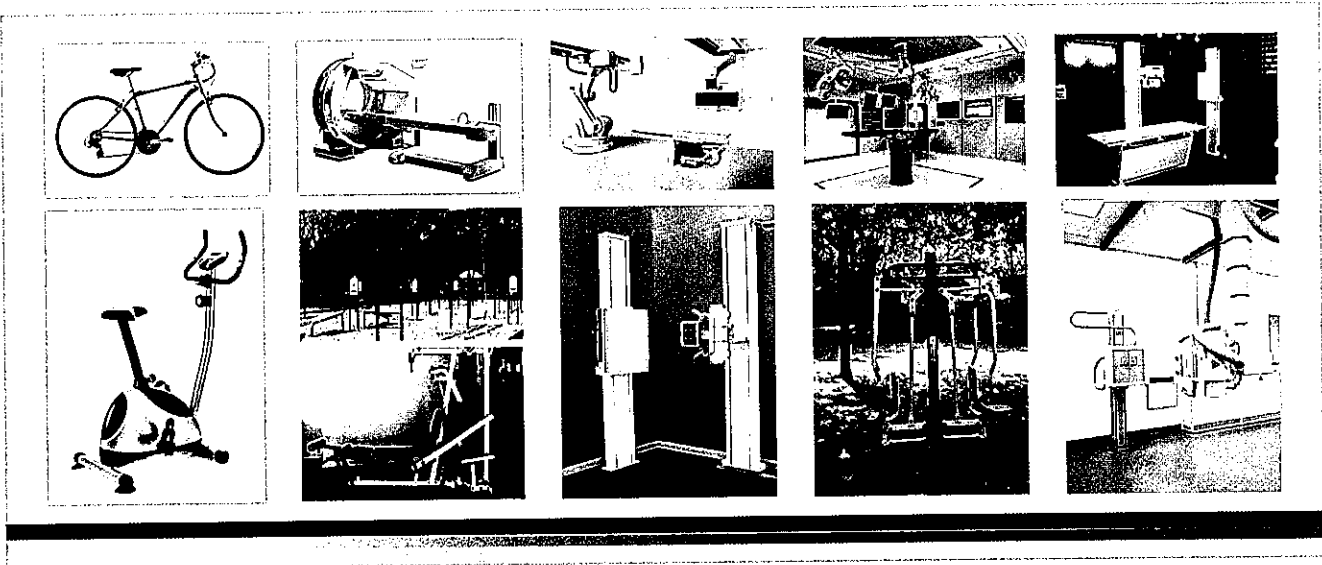


## 工業產品 Industrial Products





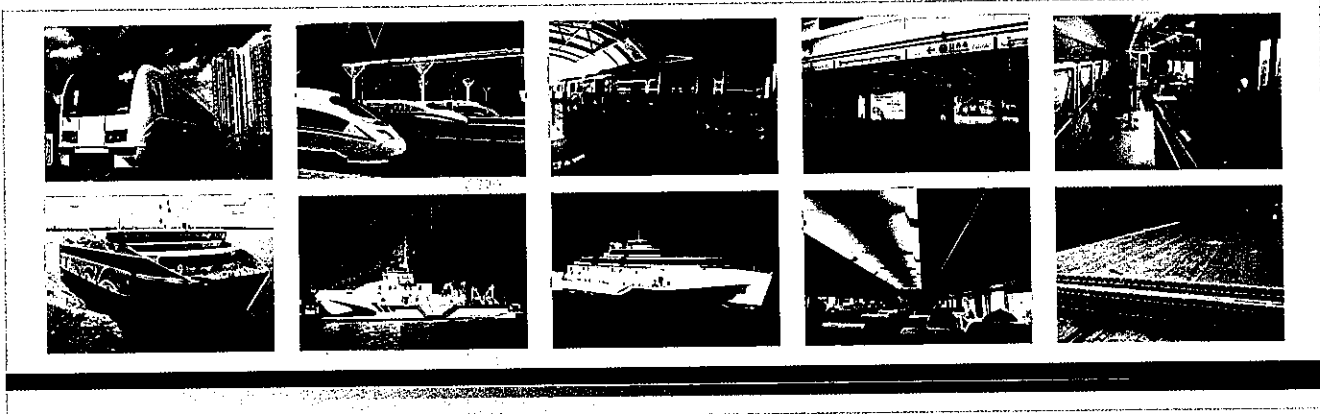
## 康體用品 Medical & Sports Facilities



## 公路運輸 Road Transportation

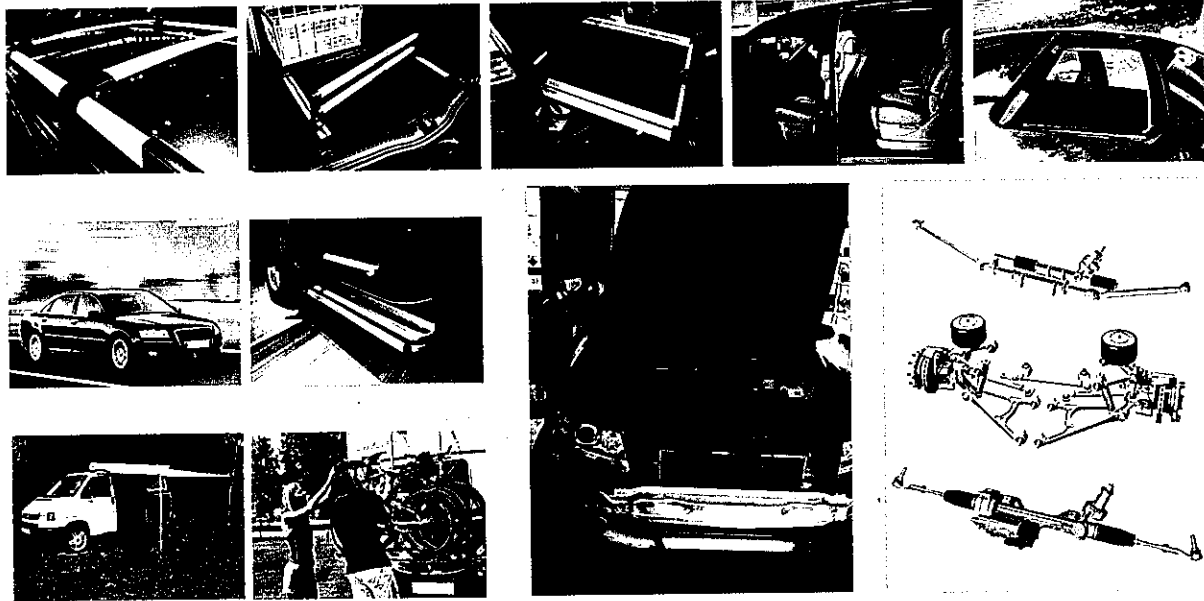


## 集體運輸系統 Mass-Transportation

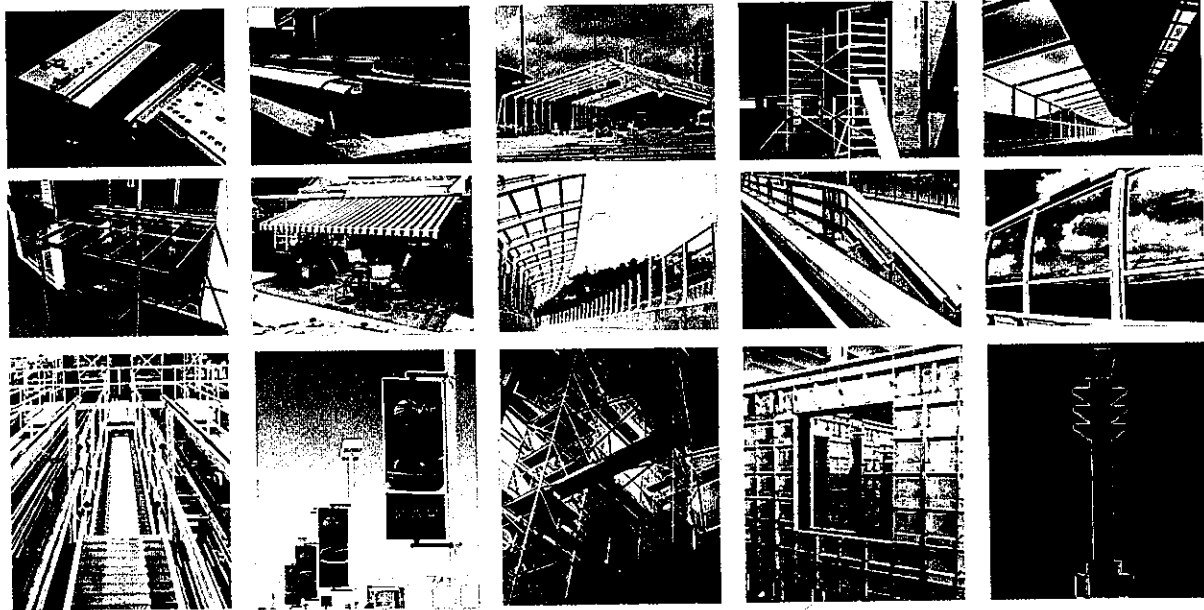




## 汽車零部件 Auto Parts

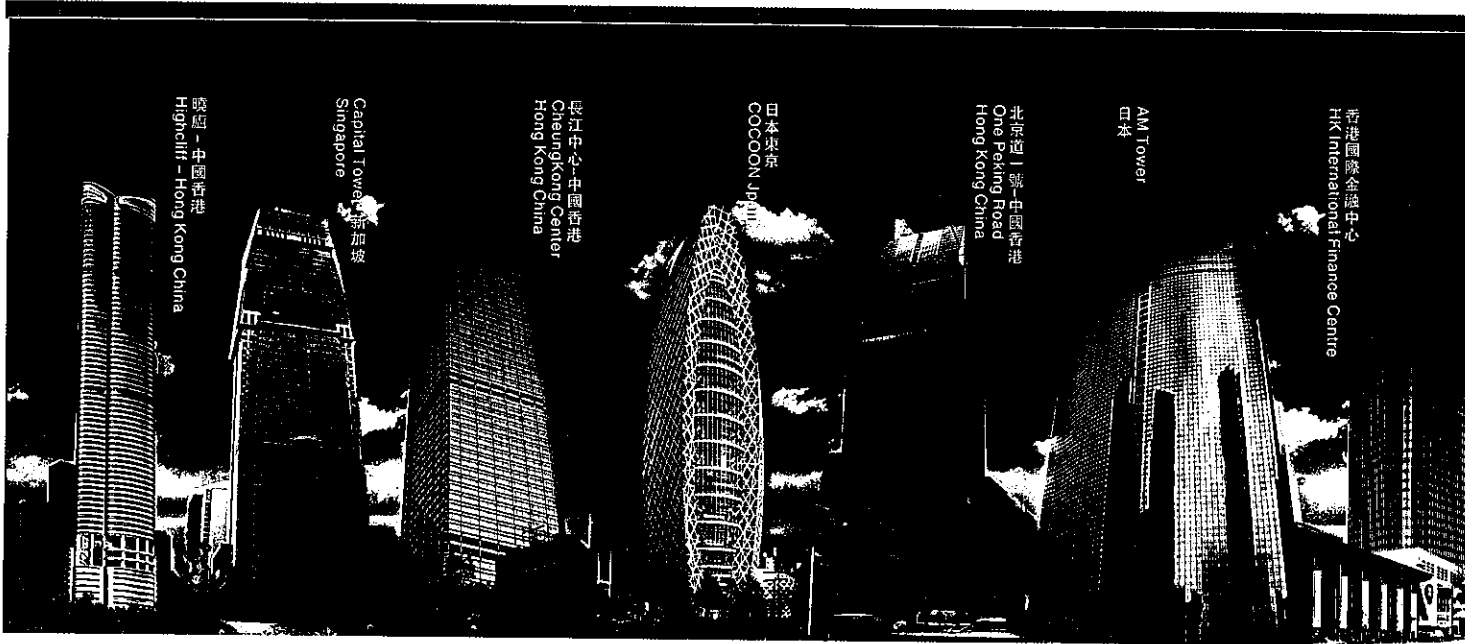


## 戶外設施 Outdoor Architecture



# 項目工程

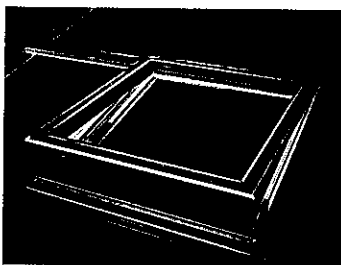
## Project References



趟門  
Door



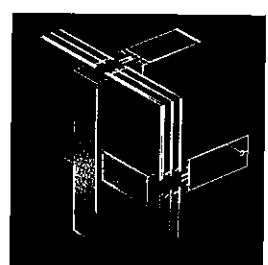
活動門  
Sliding-Door



斜頂窗  
Window



Supreme Court  
新加坡  
Singapore



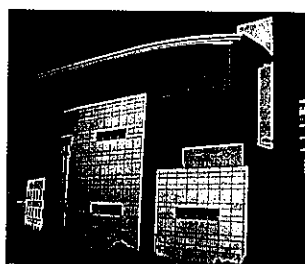
玻璃幕牆  
Curtain Wall



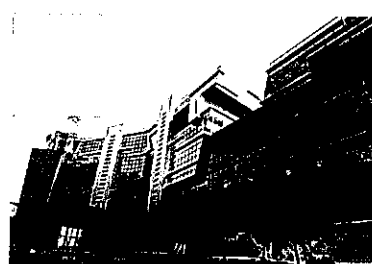
推拉窗  
Window



港龍航空大樓  
Dragon Air HQ



機場國泰城  
Cathay Pacific City



數碼港  
中國香港  
CyberPort  
Hong Kong China



禮頓山  
Leighton Hill

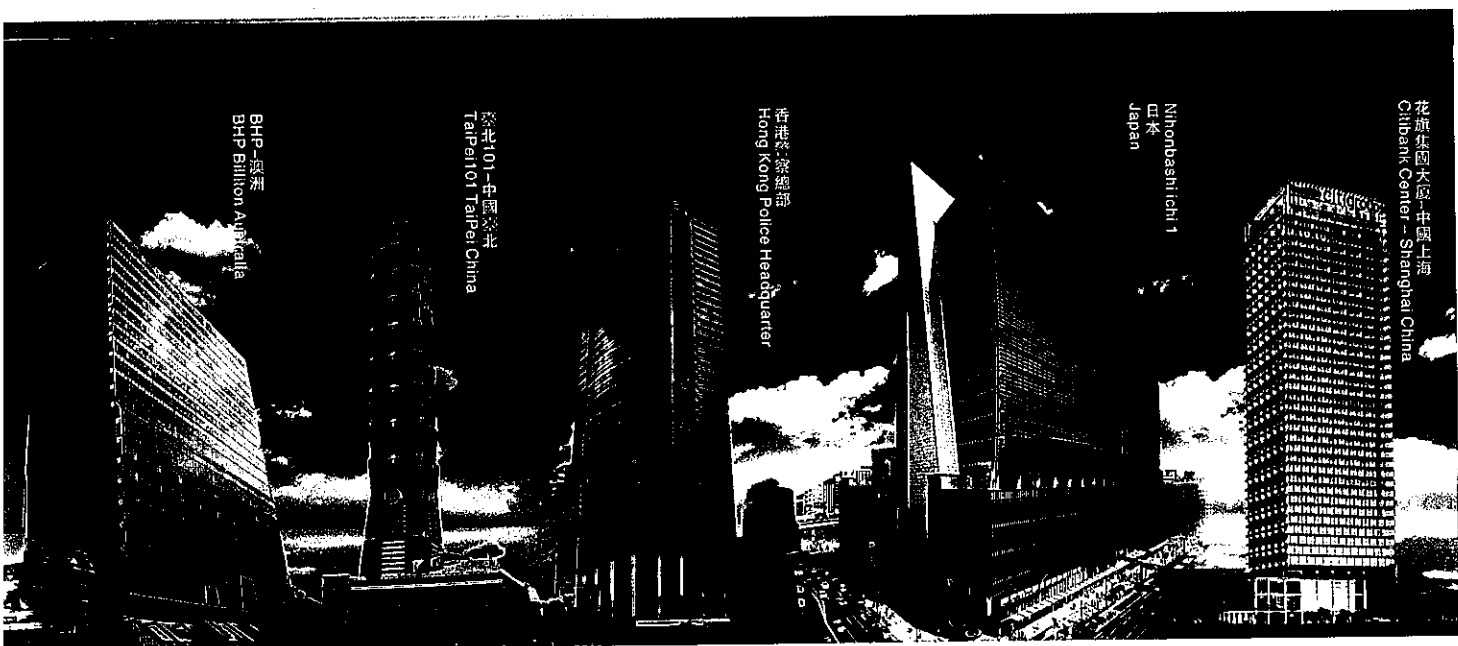
花旗集團大廈 中國上海  
Citibank Center - Shanghai China

日本  
Nipponbashi ichi 1  
Japan

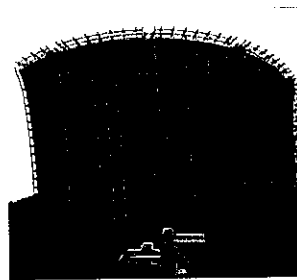
香港警察總部  
Hong Kong Police Headquarter

台北101-中國台北  
Taipei 101 Taipei China

BHP-澳泰  
BHP Billiton Australia



香港理工大學  
Polytechnic University  
Hong Kong



日本  
三菱重工總部  
Mitsubishi Heavy Industries  
Ltd HQ, Japan



西門子中心  
新加坡  
Siemens Centre  
Singapore



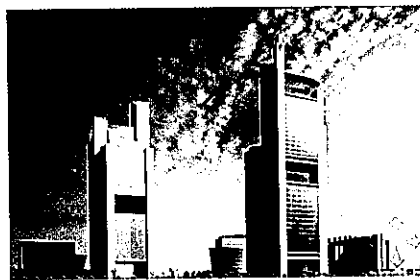
銀泰中心  
中國北京  
Yintai Center Beijing



上海百聯世茂國際廣場  
中國上海  
Shanghai China



國家游泳中心“水立方”  
National Swimming Center "Water Cube"



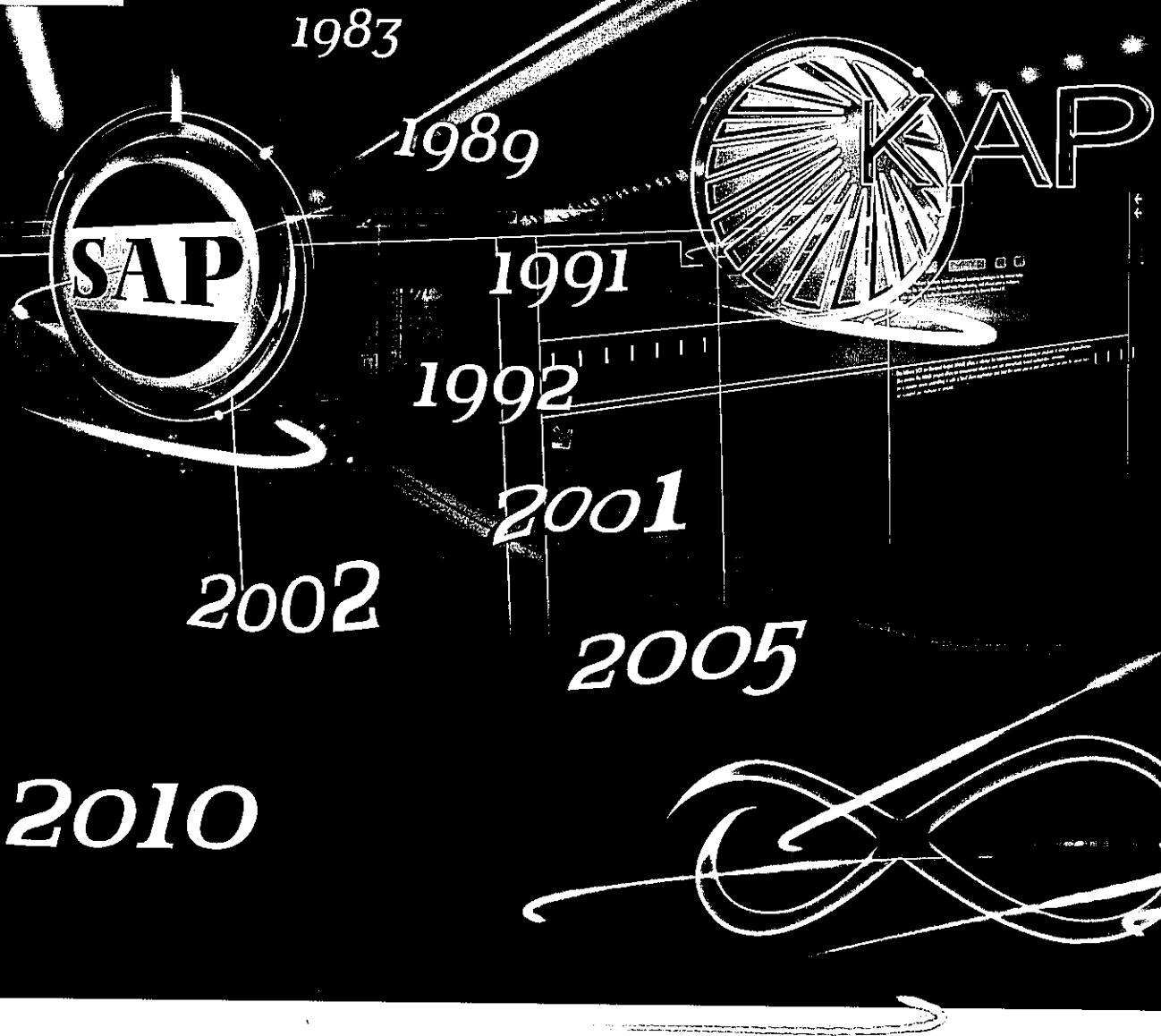
北京電視台  
Beijing TV Tower



東方廣場  
Oriental Plaza Beijing

# 展望未來

Looking into the Future



我們繼續走品質路線，在擠壓行業中做到專而不濫，精益求精，為客戶提供更完美、品質更好的服務！

We shall continue to be dedicated to excellence, pursue precision and fine quality products. Kam Kiu commits itself to render the best services and products to the customers!

**A-6 Sales**

	Most recent completed financial year (specify)		Assessment period:	
			1 April 2013 to 31 March 2014	
	Volume	Value	Volume	Value
<b>Total company turnover (all products)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Domestic market	38.84	32.93	38.85	33.16
Exports to KHK	3.65	3.95	3.52	3.94
Exports to KMY	20.68	16.29	19.85	15.43
Exports to Other Countries	36.84	46.83	37.78	47.47
<b>Turnover of the sector including the GUC</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
domestic market	N/A	N/A	N/A	N/A
exports to Australia	N/A	N/A	N/A	N/A
exports to other countries	N/A	N/A	N/A	N/A
Turnover of the nearest business unit, for which financial statements are prepared, which includes the goods under consideration	96.55	96.16	97.37	96.56
Domestic market	37.80	32.07	38.49	32.96
Exports to KHK	3.61	3.76	3.44	3.81
Exports to KMY	18.79	13.99	17.99	12.59
Exports to Other Countries	36.36	46.34	37.46	47.19

Note: 1. there is no sector for the GUC

2. KAE does not know which sales to KMY are exported to Australia, thus it separates its export sales into different categories as exports to KHK, KMY and other countries.

**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**

国务院关于批准国家高新技术产业开发区和有关政策规定的通知

Promulgating Institution: [State Council](#)

Document Number: Guo Fa [1991] No. 12

Promulgating Date: 03/06/1991

Effective Date: 03/06/1991

Validity Status: Valid

颁布机关: [国务院](#)

文 号: 国发[1991]12 号

颁布时间: 03/06/1991

实施时间: 03/06/1991

效力状态: 有效

**Text**

正文

To the people's governments of all provinces, autonomous regions and municipalities directly under the Central Government and all the departments of and the organizations directly under the State Council:

各省、自治区、直辖市人民政府，国务院各部委、各直属机构:

In pursuance of the Decision of the Central Committee of the Communist Party of China on the Reform of the Science and Technology Management System, a number of development zones for new and high technology industries have been successively established in recent years in some large and mid sized technology-intensive cities and coastal areas, which have promoted the development of new and high technology industries in our country. In order to act in the spirit of "further implementing the Torch Program and managing well the development zones for new and high technology, " as advocated in the Proposal of the Central Committee of the Communist Party of China on the Formulation of the Ten-Year Program and the Eighth Five-Year Plan for National Economic and Social Development so as to expedite the development of new and high technology industries, the State Council has decided to designate another group of



existing development zones for new and high technology industries in various places as national development zones for new and high technology industries, in addition to the Beijing Experimental Zone for the Development of New Technology Industries approved by the State Council in 1988, and to bestow them preferential policies accordingly. The following are hereby notified:

根据《[中共中央关于科学技术体制改革的决定](#)》，近几年，许多地方在一些知识、技术密集的大中城市和沿海地区相继建立起一些高新技术产业开发区，促进了我国高新技术产业的发展。为了贯彻《中共中央关于制定国民经济和社会发展十年规划和“八五”计划的建议》中关于“继续推进‘火炬’计划的实施，办好高新技术开发区”的精神，加快高新技术产业的发展，国务院决定，继 1988 年批准北京市新技术产业开发试验区之后，在各地已建立的高新技术产业开发区中，再选定一批开发区作为国家高新技术产业开发区，并给予相应的优惠政策。现通知如下：

1. The State Council approves the designation, as examined and determined by the State Science and Technology Commission, of the following 21 development zones as the national ones for new and high technology industries:

Donghu New Technology Development Zone, Wuhan;

Pukou Export-Oriented Development Zone for New and High Technologies, Nanjing;

Nanhu Science and Technology Development Zone, Shenyang;

Tianjin New Technology Industries Park;

Xi'an Development Zone for New Technology Industries;

Chengdu Development Zone for New and High Technology Industries;

Weihai Torch Development Zone for High Technology Industries;

Zhongshan Torch Development Zone for High Technology Industries;

Nanhu-Nanling New Technology Industries Park, Changchun;

Harbin High Technology Development Zone;

Changsha Experimental Zone for the Development of Science and Technology;

Fuzhou Science and Technology Park;

Tianhe Development Zone for New and High Technology Industries, Guangzhou;

Hefei Science and Technology Industry Park;

Chongqing Development Zone for New and High Technology Industries;

Hangzhou Development Zone for New and High Technology Industries;

Guilin Development Zone for New Technology Industries;

Zhengzhou High Technology Development Zone;

Ningwozhuang Experimental Zone for the Development of New Technology Industries, Lanzhou;

Shijiazhuang Development Zone for New and High Technology Industries; and Jinan Development Zone for High Technology Industries.

一、国务院批准经国家科委审定的下列 21 个高新技术产业开发区为国家高新技术产业开发区：

武汉东湖新技术开发区、南京浦口高新技术外向型开发区、沈阳市南湖科技开发区、天津新技术产业园区、西安市新技术产业开发区、成都高新技术产业开发区、威海火炬高技术产业开发区、中山火炬高技术产业开发区、长春南湖南岭新技术工业园区、哈尔滨高技术开发区、长沙科技开发试验区、福州市科技园区、广州天河高新技术产业开发区、合肥科技工业园、重庆高新技术产业开发区、杭州高新技术产业开发区、桂林高新技术产业开发区、郑州高技术开发区、兰州宁卧庄新技术产业开发试验区、石家庄高新技术产业开发区、济南市高技术产业开发区。

2. In addition, the Caohejin Development Zone for Newly-Emerged Technologies in Shanghai, Dalian New and High Technology Industries Park, Shenzhen Science and Technology Industry Park, Xiamen Torch Development Zone for High Technology Industries and Hainan International Science and Technology Industry Park, which have been respectively set up in the economic and technological development zones and in the special economic zones, are also designated as the national development zones for new and high technology industries.

二、上海漕河泾新兴技术开发区、大连市高新技术产业园区、深圳科技工业园区、厦门火炬高技术产业开发区、海南国际科技工业园分别设在经济技术开发区、经济特区内，也确定为国家高新技术产业开发区。

3. The State Council authorizes the State Science and Technology Commission to be responsible for the examination and determination of the bounds and the area of each national development zone for new and high technology industries, and for the relevant management and specific guidance of each zone.

三、国务院授权国家科委负责审定各国家高新技术产业开发区的区域范围、面积，并进行归口管理和具体指导。

4. The State Council approves the [Requirements and Measures for the Acknowledgement and Determination of New and High Technology Enterprises in the National Development Zones for New and High Technology Industries](#) (Annex I) and [Interim Provisions on Policies for the National Development Zones for New and High Technology Industries](#) (Annex II) both formulated by the State Science and Technology Commission, and [Provisions on the Tax Policy for the National Development Zones for New and High Technology Industries](#) (Annex III) formulated by the State Administration of Taxation, which should all be observed and implemented.

四、国务院批准国家科委制定的《[国家高新技术产业开发区高新技术企业认定条件和办法](#)》（附件一）、《[国家高新技术产业开发区若干政策的暂行规定](#)》（附件二）和国家税务总局制定的《[国家高新技术产业开发区税收政策的规定](#)》（附件三），请遵照执行。

5. In the Beijing Experimental Zone for the Development of New Technology Industries, all transactions of business should be conducted in accordance with the Interim

Regulations of the Beijing Experimental Zone for the Development of New Technology Industries, except for the magnitude control of investment in fixed assets and the reserved percentage of foreign exchange earned through exportation, which should comply with the existing provisions.

It is of great significance for the readjustment of industrial structure, the promotion of the traditional industries transformation, the improvement of labor productivity and the enhancement of international competitiveness to accelerate the commercialization and industrialization of the achievements in high technology by relying on our own scientific and technical strength. All localities and all relevant departments shall strengthen leadership over and give effective support to the development zones for new and high technology industries and, in accordance with the relevant provisions and policies of the State, promote a sound development of new and high technology industries of our country.

五、北京市新技术产业开发实验区，除固定资产投资规模管理、出口创汇留成按现行规定执行外，其余仍按《[北京市新技术产业开发试验区暂行条例](#)》执行。

依靠我国自己的科技力量，促进高技术成果的商品化、产业化，对于调整产业结构，推动传统产业的改造，提高劳动生产率，增强国际竞争能力，具有重要意义。各地区，各有关部门对高新技术产业开发区要加强领导，大力扶持，按照国家的有关政策规定，促进我国高新技术产业健康发展。

ANNEX:

I. Requirements and Measures for the Acknowledgement and Determination of New and High Technology Enterprises in the National Development Zones for New and High Technology Industries(Omitted)

II. Interim Provisions on Policies for the National Development Zones for New and High Technology Industries(Omitted)

III. Provisions on the Tax Policy for the National Development Zones for New and High Technology Industries(Omitted)

State Council

March 6, 1991

附件:

- 一、《[国家高新技术产业开发区高新技术企业认定条件和办法](#)》（略）
- 二、《[国家高新技术产业开发区若干政策的暂行规定](#)》（略）
- 三、《[国家高新技术产业开发区税收政策的规定](#)》（略）

国务院

一九九一年三月六日

Provisions on the Tax Policy for the National Development Zones for New and High Technology Industries

国家高新技术产业开发区税收政策的规定

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Text

正文

**Article 1** These Provisions are formulated in order to accelerate the healthy development of new and high technology industries of our country and to further promote the establishment of the new and high technology industries development zones.

**第一条** 为促进我国高新技术产业的健康发展,进一步推动高新技术产业开发区建设,制定本规定。

**Article 2** These Provisions shall apply only to the acknowledged and determined new and high technology enterprises (hereinafter referred to as development zone enterprises) in the new and high technology industries development zones (hereinafter referred to as development zones) approved by the State Council.

**第二条** 本规定的适用范围,限于经国务院批准设立的高新技术产业开发区(以下简称开发区)内被认定的高新技术企业(以下简称开发区企业);

**Article 3** The acknowledgement requirements and standards for the development zones and development zone enterprises as well as the scope of new and high technologies and the products thereof shall be dealt with according to the unified provisions formulated by the State Science and Technology Commission.

**第三条** 开发区和开发区企业的认定条件和标准,高新技术及其产品的范围,按国家科委制定的统一规定执行。

**Article 4** The income tax of development zone enterprises shall be levied at a reduced rate of 15 percent from the date of their acknowledgement and determination.

**第四条** 开发区企业从被认定之日起,减按 15%的税率征收所得税。

**Article 5** When the output value of export of a development zone enterprise exceeds 70 percent of its total annual output value, the income tax shall be levied at a reduced rate of 10 percent after being verified by the taxation authorities.

**第五条** 开发区企业出口产品的产值达到当年总产值 70%以上的,经税务机关核定,减按 10%的税率征收所得税。

**Article 6** A newly-established development zone enterprise may, upon approval by the taxation authorities of an application filed by the enterprise, be exempted from income tax in the first two operation years.

A Chinese-foreign equity joint venture newly-established as a development zone enterprise and scheduled to operate jointly for a period of ten years or more may, upon approval by the taxation authorities of an application filed by the enterprise, be exempted from income tax in the first two years after it has begun to make a profit. Development zone enterprises using foreign investments within the special economic zones and economic and technological development zones shall be subject to the administration of relevant tax policy of the special zones or economic and technological development zones, and shall not be restricted by the provisions of the above two paragraphs of this Article.

On the expiration of the tax-free period, considerations of appropriate tax reductions or exemptions for a definite period of time may, upon approval, be given to the enterprises which still have real difficulties in tax payment.

**第六条** 新办的开发区别企业,竟企业申请,税务机关批准,从投产年度起,二年内免征所得税。

在经济特区和经济技术开发区地域范围内的开发区企业,是外商投资企业的,仍执行特区或经济技术开发区的各项税收政策,不受前两项规定的限制。

免税期满后,纳税确有困难的,经批准在一定的期限内给予适当的减免税照顾。

**Article 7** Development zone enterprises using domestic investments with an annual net income not exceeding RMB 300,000 from technological transfer and consultation, services and trainings related to this transfer shall be temporarily exempted from income tax for the above-mentioned amount; for the portion exceeding RMB 300,000, income tax shall be levied according to the appropriate tax rate. For all new and high technology products developed under the "Torch Program", and conforming to exemption and reduction conditions for new products, the amount derived from tax exemption or reduction on products and on the added value of products shall be used specially for the technical development and shall be exempted from income tax.

**第七条** 对外资办的开发区企业,其进行技术转让以及在技术转让过程中发生的与技术转让有关的技术咨询、技术服务、技术培训的所得,年净收入在三十万元以下的,可暂免征收所得税;超过三十万元的部分,按适用税率征收所得税。对其属于“火炬”计划开发范围的高新技术产品,凡符合新产品减免税条件并按规定减免产品税、增值税,可专项用语技术开发,不计征收所得税。

**Article 8** The amount derived from tax exemption or reduction for development zone enterprises using domestic investments shall be regarded as national support funds managed under an independent accounting system, and shall be specially used for the development of new and high technologies and their products under the supervision of relevant departments.

**第八条** 对内资办的开发区企业减征或免征的税款统一作为国家扶持基金,单独核算,由有关部门监督专项用于高新技术及产品的开发。

**Article 9** For a development zone enterprise jointly run with another investing party, the party shall, according to its own enterprise financial system, pay retroactively the income tax or the portion to be handed over to its superior department from the profit distributed to it after deducting the tax levied in the development zone.

**第九条** 开发区企业属联营企业的,其分给投资方的利润,应按投资方企业的财务体制,扣除开发区缴纳的税款后,补缴所得税或上交利润。

**Article 10** For development zone enterprises using domestic investments, the bonus tax shall be collected according to the existing provisions of the State. However, the bonus tax may be exempted for the following individual items:

- (1) the portion not exceeding 15 percent of the bonus taken from the retained net income from technology transfer, technical consultancy, technical services and technical trainings;
- (2) for enterprises exporting new and high technology products, the portion of bonus awarded to staffs and workers not exceeding the amount equivalent to one and half monthly standard salaries and taken from export bonus fund according to the State provisions;
- (3) other individual tax-free bonuses which comply with the State provisions.

Concerning the amount of annual per capita tax-free bonus, if the total amount of Items (1) and (2) does not exceed two and half standard monthly salaries, the bonus tax shall be levied after the above amount is deducted from the annual bonus. If the amount exceeds two and half standard monthly salaries, the bonus tax shall be levied after the actual tax-free bonus is deducted from the annual total bonus.

**第十条** 内资办的开发区企业,一律按照国家现行规定缴纳奖金税。但属于下列单项奖励金,可不征收奖金税:

- (一)从其留用的技术转让、技术咨询、技术服务、技术培训净收入中提取的奖金,不超过 15% 的部分;

(二)高新技术产品出口企业,按国家规定从出口奖励金中发放给职工的奖金,不超过 1.5 个月标准工资的部分;

(三)符合国家规定的其它免税单项奖。

上述(一)、(二)两项合并计算的全年人均免税奖金额,不足 2.5 个月标准工作的按实际免税奖金扣除计税。

**Article 11** Newly constructed buildings for technology development and production and business operations built with self-raised funds by development zone enterprises established with domestic investments shall be subject to or exempted from construction tax (or investment direction regulatory tax) according to the industrial policies of the State.

**第十一条** 内资办的开发区企业,以自筹资金新建技术开发和生产经营用房,按国家产业政策确定征免建筑税(或投资方向调节税)。

**Article 12** All loans of development zone enterprises shall be reimbursed after the income tax is levied.

**第十二条** 开发区企业贷款,一律在征收所得税后归还。

**Article 13** Non-development zone enterprises in the development zones shall act on the existing tax policy of the State instead of these Provisions. For enterprises previously acknowledged and determined as development ones, which have undergone changes and no longer conform to the requirements and standards for development zone enterprises, these Provisions shall no longer apply.

**第十三条** 开发区内的非开发区企业,按国家现行税收政策执行,不执行本规定。原认定的开发区企业情况发生变化,已不符合开发区企业条件和标准的,也不再执行本规定。

**Article 14** Previously enacted tax policies which contravene these Provisions shall, without exception, be abolished and superseded by these Provisions.

**第十四条** 过去凡与本规定有抵触的税收政策,一律废止,改按本规定执行。

**Article 15** The interpretation of these Provisions is the responsibility of the State Tax Bureau.

**第十五条** 本规定由国家税务局负责解释。

**Article 16** These Provisions shall become effective from the date of approval by the State Council.

**第十六条** 本规定自国务院批准之日起执行。