

20 July 2026

Trade Remedies Authority
North Gate House
21-23 Valpy Street
Reading
Berkshire
RG1 1AF

via UK Trade Remedies Services

OPEN

Dear Mesdames,
Dear Sirs,

Re: AD0086 – Response to LB Group’s comments on capex amortization
Our client: Tronox Pigment UK Limited ("Applicant")

We refer to Lomon Billions Group’s (“**LB Group**”) comments (“**Comments**”) of 29 June 2026 on capex amortization in the captioned investigation (“**Investigation**”) on UK imports of rutile titanium dioxide (“**Rutile TiO₂**”) originating from China.

As explained, LB Group benefits from distortions in its capex amortization. These distortions reduce LB Group’s costs and thus risk artificially reducing the normal value of LB Group’s Rutile TiO₂.¹ Specifically, the Applicant noted that public statements from the LB Group confirm that its capex amortization for the Jiaozuo chloride plant is 1,425 USD/MT.

In the Comments, LB Group concedes that Applicant is correct and its capex amortization for the Jiaozuo plant is indeed 1,425 USD/MT. LB Group only takes issue with the benchmark proffered by the Applicant for benchmarking LB Group’s capex amortization, which is the OECD greenfield investment rule of thumb of 3,500-5,000 USD/MT. LB Group says that this benchmark is not relevant because Jiaozuo is a brownfield investment.²

However, the capex amortization for brownfield investments in the TiO₂ industry is also far higher than LB Group’s 1,425 USD/MT. The Applicant gives two examples.

First, Chemours expanded its Altamira (Mexico) TiO₂ production facility with a new 200,000 MT/year chloride line. Upon completion in 2016, the cost of the expansion was ~600 million USD.³ The capex amortization for this brownfield investment was thus 3,000 USD/MT – more

¹ Applicant, Response to LB Group’s comments on particular market situation, 10 June 2026, para. 24.

² LB Group, Comments, p. 8.

³ Chemours, Investor presentation, June 2015, slide 8 (filed with the U.S. SEC as EX-99.1 2 d944143dex991.htm EX-99.1), **Annex 1**.

than double LB Group's capex amortization for Jiaozuo. Using today's costs, this figure would be even higher.

Second, Cristal doubled the capacity of its Yanbu (Saudi Arabia) TiO₂ chloride production facility from 90,000 MT/year to 180,000 MT/year in 2007. The total cost of the expansion was ~250 million USD.⁴ The capex amortization for this brownfield investment was thus 2,800 USD/MT – close to double LB Group's capex amortization for Jiaozuo. Using today's costs, this figure would be even higher.

Using a brownfield investment benchmark thus confirms that LB Group's capex amortization is distorted because of the particular market situation in China.

To avoid undervaluing the normal value of LB Group's Rutile TiO₂ (and thereby masking part of LB Group's dumping), the TRA should thus reject LB Group's capex amortization cost and replace it with an undistorted benchmark cost of (at least) 2,800-3,000 USD/MT.

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⁴ Chemicals & Engineering News, "Cristal Clear," December 2007, **Annex 2**.